

## AGENDA

### COMMITTEE ON COMMUNITY IMPROVEMENT

**May 8, 2007**

**Aldermen Garrity, O'Neil,  
Osborne, Gatsas, Duval**

**6:30 PM**

**Aldermanic Chambers  
City Hall (3<sup>rd</sup> Floor)**

1. Chairman Garrity calls the meeting to order.
2. The Clerk calls the roll.
3. Discussion relative to the Piscataquog River Park Reconstruction Project due to the April 2007 flood damage.  
**Gentlemen, what is your pleasure?**
4. Communication from Mayor Guinta submitting two specific policy recommendations for consideration as follows:
  - a) potential creation of a storm water utility enterprise; and
  - b) use of anticipated Rooms & Meals Tax revenues recommending such funds should be used for an Infrastructure Improvement Plan.  
**Gentlemen, what is your pleasure?**
5. Amending resolution and budget authorization for the FY 2007 CIP 214507 Cities Readiness Initiative in the amount of \$87,518.  
**Gentlemen, what is your pleasure?**
6. Amending resolution and budget authorization for the FY2007 CIP 214607 Pandemic Flu Planning in the amount of \$30,510.  
**Gentlemen, what is your pleasure?**

7. Amending resolution and budget authorizations for the FY2007 for the Fire Department's Security Fiber Connections Project and the 2006 HazMat Allocation Project in the amount of \$210,207.

**Gentlemen, what is your pleasure?**

8. Amending resolution and budget authorization for the FY2007 CIP 612707 Neighborhood Pride – Youth Employment (Cleanstreets) Program in the amount of \$30,000.

**Gentlemen, what is your pleasure?**

9. Amending resolution and budget authorization for the FY2007 CIP 712207 Hands Across The Merrimack Project in the amount of \$600,000.

**Gentlemen, what is your pleasure?**

10. CIP Budget Authorizations:  
810306 Economic Development Planning/Master Plan –  
Revision #1

**Gentlemen, what is your pleasure?**

11. Communication from Glen Ohlund submitting a final draft of an application and review procedures for the Community Revitalization Tax Relief Incentive (RSA 79-E).

**Gentlemen, what is your pleasure?**

12. Communication from Jay Minkarah, Economic Development Director, submitting a JacPac on-going maintenance budget update.

**Gentlemen, what is your pleasure?**

13. Communication from Kevin Sheppard, Deputy Public Works Director, submitting information relating to the FY08 Traffic Annual Striping Program and information relating to the purchase of a vehicle for one of the Highway Department inspectors.

**Gentlemen, what is your pleasure?**

14. Communication from Bruce Thomas, Engineering Manager, requesting funding in the amount of \$62,100 as part of the City's Chronic Drain Program for construction of drains lines on Lebel Street and Skyline Drive.  
**Gentlemen, what is your pleasure?**
15. Communication from Robert MacKenzie, Director of Planning and Community Development, relative to potential funding in the amount of \$500,000 for the Karatzas Avenue (Stella Arms) Housing Project.  
**Gentlemen, what is your pleasure?**
16. Petition for layout and discontinuance of a portion of Elm East Back Street, AKA Manhattan Lane, AKA Harry Theo Drive.  
*(Note: Highway Department recommends petition be referred to a road hearing.)*  
**Gentlemen, what is your pleasure?**
17. Petition to discontinue a portion of Litchfield Lane.  
*(Note: Highway Department recommends petition be referred to a road hearing.)*  
**Gentlemen, what is your pleasure?**

### **TABLED ITEMS**

**A motion is in order to remove any of the following items from the table for discussion**

18. Petition to discontinue a portion of So. Bedford Street.  
*(Tabled 07/11/2006. On July 11, 2006, the BMA voted to refer this matter also to the Special Committee on Riverfront Activities and Baseball. Tabled in Riverfront Committee on 11/13/2006.)*

19. Communication from Lowell Terrace Associates proposing a mortgage/debt consolidation for property located at the northwest corner of Lowell and Chestnut Streets.  
*(Tabled 08/14/2006. Further information submitted by Finance available for viewing at the Office of the City Clerk and previously forwarded to Committee members.)*
20. Security estimate provided by Pelmac Industries for property located behind the West Side Ice Arena and the Jr. Deb Softball field.  
*(Tabled 10/23/2006 pending reports from Parking, Planning and CIP.)*
21. If there is no further business, a motion is in order to adjourn.



# City of Manchester

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Office of the Mayor  
Hon. Frank C. Guinta

April 9, 2007

The Committee on Community Improvement  
One City Hall Plaza  
Manchester, NH 03101

Re: FY2008 Budget Message – Policy Recommendations

Dear Chairman Garrity:

As part of my budget message of March 26, 2007, I identified several policy recommendations that I am referring to the Board. As you and your fellow Board members are aware, I have made these recommendations in hope of finding additional savings in government and in order to find a better way to provide city services.

With those principles in mind, I am forwarding two specific policy recommendations to your committee for its consideration. Those two policies are:

1. Storm Water Utility – the potential creation of this enterprise could save the average homeowner significant property tax dollars while improving the way we fund storm water improvements and chronic drainage issues. I am not endorsing this plan but do want the Committee to study this issue and make a determination if such a program would be of benefit to our taxpayers.
2. Infrastructure Improvement Plan – with the anticipation of greater Rooms & Meals tax revenues coming to the city, now is the time to plan how we as city will use those funds. I believe that they should be used to improve our streets and sidewalks for the benefit of our neighborhoods and to improve the physical appearance of our community. This plan not only puts more money into improving our infrastructure but also would reduce the amount of property tax dollars we are committing as well. If the committee so concurs, then it would be my hope that the Board formally adopts such a policy.

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For your convenience I have attached some additional data for your deliberations on these two important policy decisions. I would be happy to provide additional information to the committee if so requested.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank C. Guinta". The signature is stylized with a large, sweeping "F" and a long, horizontal stroke at the end.

Frank C. Guinta  
Mayor

Attachments

# Streets, Sidewalks, Curbing, and Streetscape

# Streets

- 393 linear miles
- Reconstruction costs average \$1 Million per linear mile
- Fifty to Sixty year life
- Replacement cost = \$393,000,000
- or
- \$7,860,000 per year
- Only 15.25 miles reconstructed since 1997



# Sidewalks and Curbing

- Approximately 3,000,000 linear feet
  - Replacement costs \$100 per foot
  - Twenty-five to thirty year life
  - Replacement cost = \$300,000,000
- or
- \$12,000,000 per year
  - 12,972 linear feet of sidewalks reconstructed since 2003
  - 11,770 linear feet of curbing installed since 2003

# Streetscape

- Virtually non-existent
- Hillier Report

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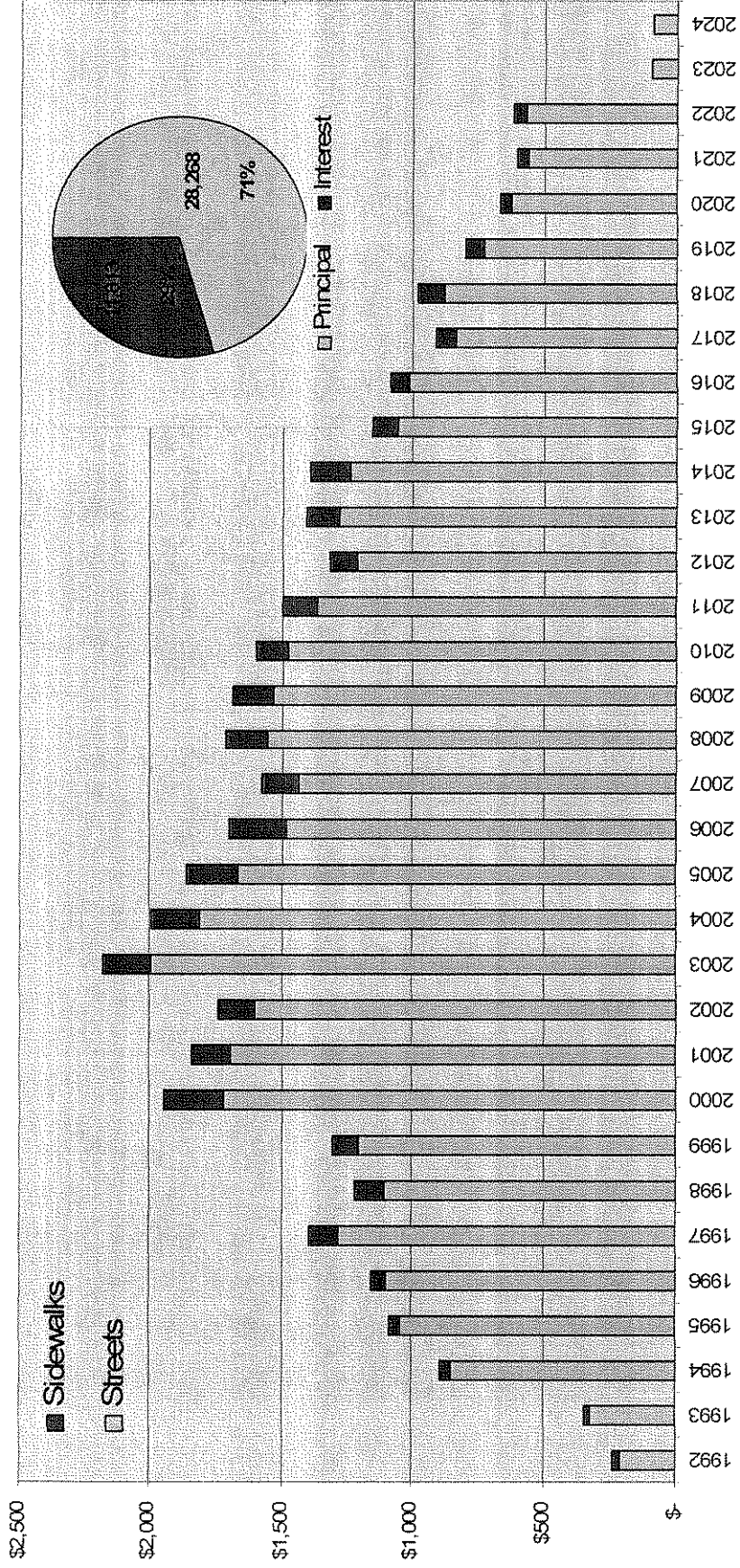
*“A hierarchy of roadway and sidewalk widths, materials, lighting, pedestrian crossings, and street tree plantings should be planned with costs and recommendations for phasing and implementation. Visual markers or gateways should be incorporated into streetscape projects”*

# Historical Funding

- Since 1992, approximately \$28.3 million of debt has been issued for streets and sidewalks
- Approximately \$11.8 million dollars is required for interest payments
- FY08 budget will include approximately \$1.6 million for debt service
- Debt for these bonds goes through FY24

# Debt Service by Purpose – FY92 – FY24

(in thousands)

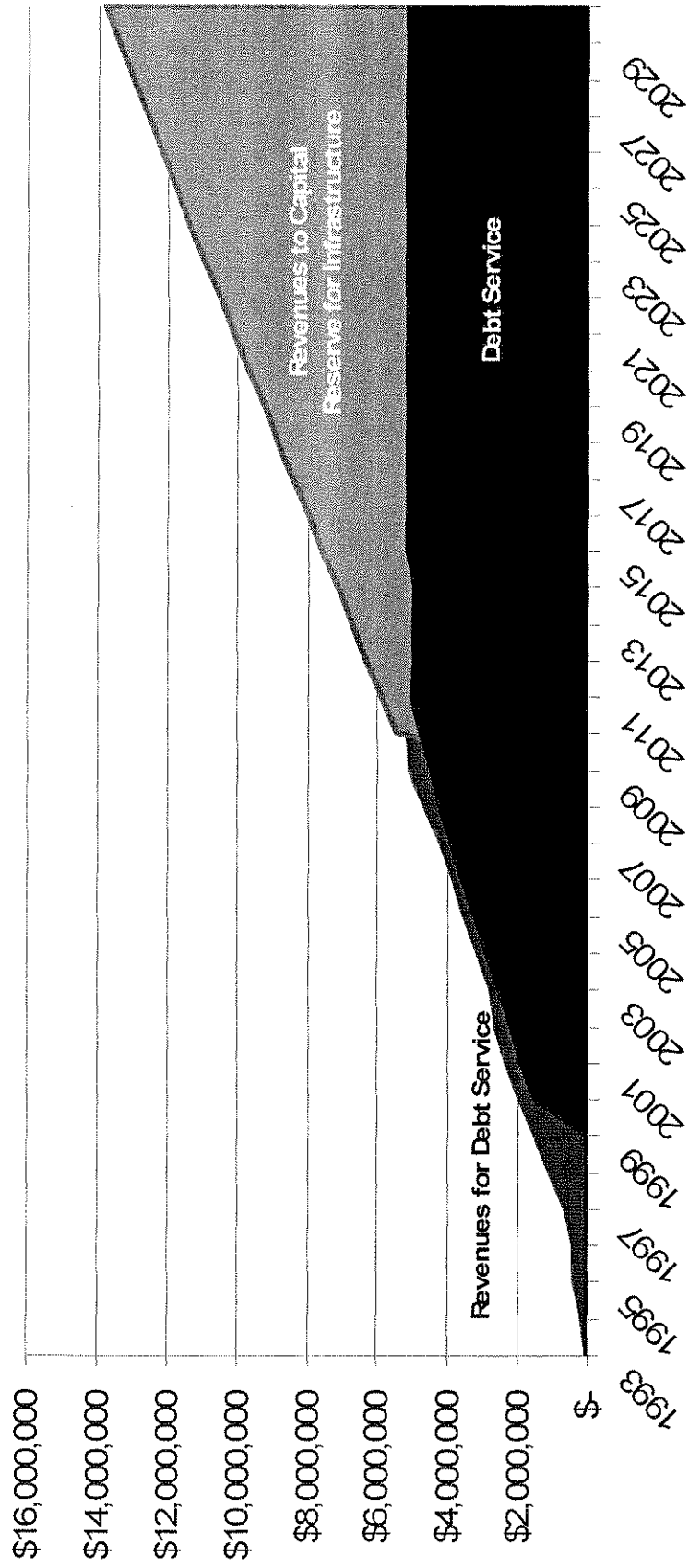


# Proposal

- Adopt design criteria for sidewalks, streetscape and gateways
- Adopted construction criteria for sidewalks (concrete, brick, granite curbing)
- Earmark future available Meals & Rooms revenue to a capital reserve to fund infrastructure improvements

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# Civic Center Funding Meals and Rooms Revenue



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# Capital Reserve

- Funded through Meals & Rooms revenue in excess of \$454k plus civic center debt
- Provides cash funding for projects or debt service coverage
- Requires adoption of standards
- Projects include sidewalks, curbing, streets and streetscape

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# Impact

- City bonded approximately \$28.3 million dollars over the past 15 years
- Total cost for this debt is \$40 million
- Over the next 15 years, a projected \$50 million cash will be available – no interest costs will be incurred
- \$1.6 million will be eliminated from the annual budget

7



# Benefits

- Provides long-term funding solution
- Addresses long time funding deficiency
- Reduces dependency on debt
- Eliminates “lost” dollars for interest costs
- Funds needs without additional tax burden
- Reduces tax burden as old debt is paid off
- Positive impact on bond rating

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# Action

- Develop and adopt design and construction criteria

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# Storm Drains

# Storm Drains

- 166 linear miles
- Reconstruction costs \$500 thousand per mile
- 100 year life
- Replacement cost = \$83,000,000
- or
- \$830,000 per year
- Only 22 miles reconstructed since 1997

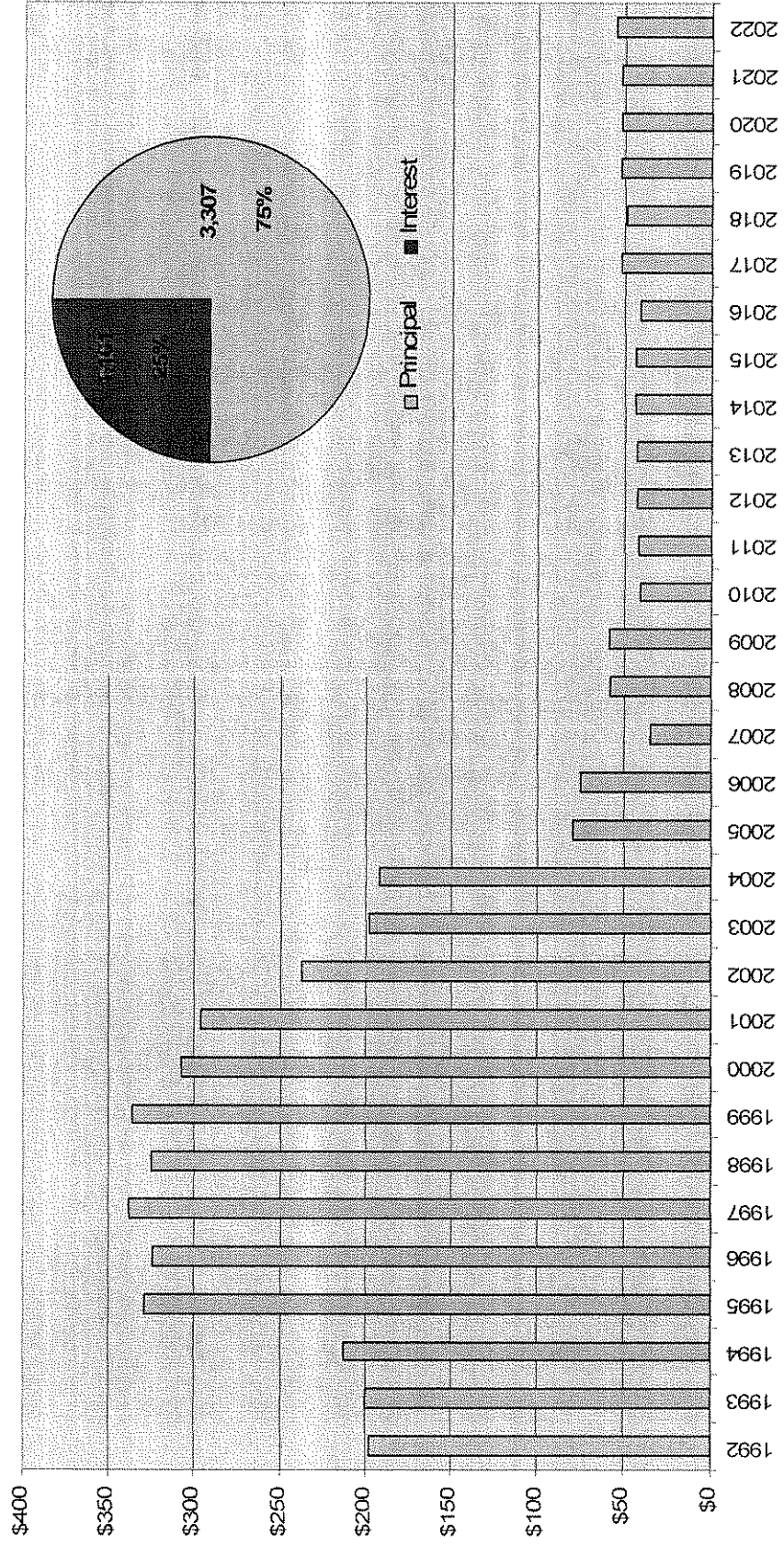
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# Historical funding

- Since 1992, approximately \$3.3 million of debt has been issued for storm drains
- Approximately \$1.1 million dollars has been committed to interest payments
- FY08 budget will include approximately \$58,000 for debt service – FY99 included \$390,000
- Debt for this bonding goes through FY22

✓

# Debt Service for Storm Drains – FY92 – FY22 (in thousands)



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# Proposal

- Establish a storm water utility
- Fees will be based on impervious area
- All single family homes will be set at an equal level based on an average
- All other properties will be billed as a multiple of single family home fees
- Fees will be collected through sewer billing process

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# Concept

- Storm drain costs are a major issue
- Storm drain requirements are based on a property's impervious area
- Residents are picking up 63% of costs
- Estimates indicate residential property accounts for 15-20% of impervious area
- Single family estimated at \$3.75/quarter
- Utility will shift funding to responsible party

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# Impact

- City bonded approximately \$3.3 million dollars over the past 15 years
- Total cost for this debt is \$4.4 million
- Over the next 15 years, \$22.5 million will be available
- Debt service will be eliminated from annual budget
- Single family will pay \$15/year v \$40 in taxes

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# Benefits

- Provides long-term funding solution
- Addresses long time funding deficiency
- Reduces dependency on debt
- Eliminates “lost” dollars for interest costs
- Shifts funding from residential taxpayer
- Funds needs without additional tax burden
- Reduces tax burden as old debt is paid off
- Positive impact on bond rating

# Action

- Adopt concept for storm water utility
- Authorize study to establish impervious area data base

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# City of Manchester New Hampshire

*In the year Two Thousand and Seven*

## A RESOLUTION

"Amending the FY 2007 Community Improvement Program, authorizing and appropriating funds in the amount of Eighty Seven Thousand Five Hundred Eighteen Dollars (\$87,518) for the FY2007 CIP 214507 Cities Readiness Initiative."

Resolved by the Board of Mayor and Aldermen of the City of Manchester as follows:

WHEREAS, the Board of Mayor and Aldermen has approved the 2007 CIP as contained in the 2007 CIP budget; and

WHEREAS, Table 1 contains all sources of State, Federal and Other funds to be used in the execution of projects; and

WHEREAS, the Board of Mayor and Aldermen wishes to accept grant funds in the amount of \$87,518 from the State of New Hampshire Department of Health and Human Services for the implementation of the Cities Readiness Initiative;

NOW, THEREFORE, be it resolved that the 2007 CIP be amended as follows:

**By adding:**

FY2007 CIP 214507 – Cities Readiness Initiative - \$87,518 State

Resolved, that this Resolution shall take effect upon its passage.



### CIP BUDGET AUTHORIZATION

CIP #:  Project Year:  CIP Resolution:   
 Title:  Amending Resolution:   
 Administering Department:  Revision:

Project Description:

#### Federal Grants

Federal Grant:

#### Environmental

Review Required:

Grant Executed:

Completed:

#### Critical Events

|   |                    |                                      |
|---|--------------------|--------------------------------------|
| 1 | Program Initiation | <input type="text" value="5/15/07"/> |
| 2 | Program Completion | <input type="text" value="6/30/08"/> |
| 3 |                    |                                      |
| 4 |                    |                                      |
| 5 |                    |                                      |

Expected Completion Date:

#### Line Item Budget

|                        | STATE   |  |  | TOTAL   |
|------------------------|---|--|--|---|
| Salaries and Wages     | <input type="text" value="\$0.00"/>             | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>             |
| Fringes                | <input type="text" value="\$0.00"/>             | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>             |
| Design/Engineering     | <input type="text" value="\$0.00"/>             | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>             |
| Planning               | <input type="text" value="\$0.00"/>             | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>             |
| Consultant Fees        | <input type="text" value="\$0.00"/>             | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>             |
| Construction Admin     | <input type="text" value="\$0.00"/>             | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>             |
| Land Acquisition       | <input type="text" value="\$0.00"/>             | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>             |
| Equipment              | <input type="text" value="\$0.00"/>             | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>             |
| Overhead               | <input type="text" value="\$0.00"/>             | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>             |
| Construction Contracts | <input type="text" value="\$0.00"/>             | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>             |
| Other                  | <input type="text" value="\$87,518.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$87,518.00"/>        |
| <b>TOTAL</b>           | <b><input type="text" value="\$87,518.00"/></b> | <b><input type="text" value="\$0.00"/></b> | <b><input type="text" value="\$0.00"/></b> | <b><input type="text" value="\$87,518.00"/></b> |

#### Revisions

#### COMMENTS

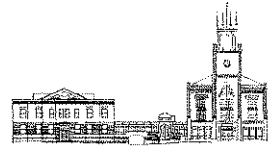


Robert S. MacKenzie, AICP  
Director

# CITY OF MANCHESTER


## Planning and Community Development

Planning  
Community Improvement Program  
Growth Management



Staff to:  
Planning Board  
Heritage Commission  
Millyard Design Review Committee

Memo to: Members of the Committee on Community Improvement Program

From: Robert S. MacKenzie   
Director of Planning

Date: April 30, 2007

Subject: Health Department – CIP #214507 – Cities Readiness Initiative & CIP  
#214607 – Pandemic Flu Planning

The Health Department has notified us that the City has received a grant from the State of New Hampshire Department of Health and Human Services totaling \$87,518 for the implementation of a public health emergency readiness program in Manchester. In addition, the Health Department has also received a grant from the State totaling \$30,510 for Pandemic Flu planning.

As such, we have prepared the appropriate CIP Amending Resolutions and Budget Authorization Forms necessary for program initiation.

Your review of these documents and a recommendation for approval to the full Board is respectfully requested.

Attachments:

  
One City Hall Plaza, Manchester, New Hampshire 03101  
Phone: (603) 624-6450 Fax: (603) 624-6529  
E-mail: [planning@ManchesterNH.gov](mailto:planning@ManchesterNH.gov)  
[www.ManchesterNH.gov](http://www.ManchesterNH.gov)

# City of Manchester New Hampshire

*In the year Two Thousand and Seven*

## A RESOLUTION

“Amending the FY 2007 Community Improvement Program, authorizing and appropriating funds in the amount of Thirty Thousand Five Hundred Ten Dollars (\$30,510) for the FY2007 CIP 214607 Pandemic Flu Planning.”

Resolved by the Board of Mayor and Aldermen of the City of Manchester as follows:

WHEREAS, the Board of Mayor and Aldermen has approved the 2007 CIP as contained in the 2007 CIP budget; and

WHEREAS, Table 1 contains all sources of State, Federal and Other funds to be used in the execution of projects; and

WHEREAS, the Board of Mayor and Aldermen wishes to accept grant funds in the amount of \$30,510 from the State of New Hampshire Department of Health and Human Services for the implementation of Pandemic Flu Planning;

NOW, THEREFORE, be it resolved that the 2007 CIP be amended as follows:

**By adding:**

FY2007 CIP 214607 – Pandemic Flu Planning - \$30,510 State

Resolved, that this Resolution shall take effect upon its passage.

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# CIP BUDGET AUTHORIZATION

CIP #: 214607 Project Year: 2007 CIP Resolution: 6/12/2006  
 Title: Pandemic Flu Planning Amending Resolution: 5/15/2007  
 Administering Department: Health Department Revision:

Project Description To support planning and evaluation activities for Flu Pandemic Planning.

## Federal Grants

Federal Grant: No Environmental Review Required: No  
 Grant Executed: Completed:

## Critical Events

|   |                    |          |
|---|--------------------|----------|
| 1 | Program Initiation | 5/15/07  |
| 2 | Program Completion | 12/31/07 |
| 3 |                    |          |
| 4 |                    |          |
| 5 |                    |          |

Expected Completion Date: 12/31/2007

## Line Item Budget

|                        | STATE              |               |               | TOTAL              |
|------------------------|--------------------|---------------|---------------|--------------------|
| Salaries and Wages     | \$0.00             | \$0.00        | \$0.00        | \$0.00             |
| Fringes                | \$0.00             | \$0.00        | \$0.00        | \$0.00             |
| Design/Engineering     | \$0.00             | \$0.00        | \$0.00        | \$0.00             |
| Planning               | \$0.00             | \$0.00        | \$0.00        | \$0.00             |
| Consultant Fees        | \$0.00             | \$0.00        | \$0.00        | \$0.00             |
| Construction Admin     | \$0.00             | \$0.00        | \$0.00        | \$0.00             |
| Land Acquisition       | \$0.00             | \$0.00        | \$0.00        | \$0.00             |
| Equipment              | \$0.00             | \$0.00        | \$0.00        | \$0.00             |
| Overhead               | \$0.00             | \$0.00        | \$0.00        | \$0.00             |
| Construction Contracts | \$0.00             | \$0.00        | \$0.00        | \$0.00             |
| Other                  | \$30,510.00        | \$0.00        | \$0.00        | \$30,510.00        |
| <b>TOTAL</b>           | <b>\$30,510.00</b> | <b>\$0.00</b> | <b>\$0.00</b> | <b>\$30,510.00</b> |

## Revisions

## COMMENTS



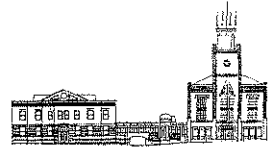


Robert S. MacKenzie, AICP  
Director

## CITY OF MANCHESTER


### Planning and Community Development

Planning  
Community Improvement Program  
Growth Management



Staff to:  
Planning Board  
Heritage Commission  
Millyard Design Review Committee

Memo to: Members of the Committee on Community Improvement Program

From: Robert S. MacKenzie   
Director of Planning

Date: April 30, 2007

Subject: Health Department – CIP #214507 – Cities Readiness Initiative & CIP  
#214607 – Pandemic Flu Planning

The Health Department has notified us that the City has received a grant from the State of New Hampshire Department of Health and Human Services totaling \$87,518 for the implementation of a public health emergency readiness program in Manchester. In addition, the Health Department has also received a grant from the State totaling \$30,510 for Pandemic Flu planning.

As such, we have prepared the appropriate CIP Amending Resolutions and Budget Authorization Forms necessary for program initiation.

Your review of these documents and a recommendation for approval to the full Board is respectfully requested.

Attachments:

6

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[www.ManchesterNH.gov](http://www.ManchesterNH.gov)

# City of Manchester New Hampshire

*In the year Two Thousand and Seven*

## A RESOLUTION

“Amending the FY 2007 Community Improvement Program, authorizing and appropriating funds in the amount of Two Hundred Ten Thousand Two Hundred Seven Dollars (\$210,207) for the FY2007 for Fire Department’s Security Fiber Connections Project and the 2006 HazMat Allocation Project.”

Resolved by the Board of Mayor and Aldermen of the City of Manchester as follows:

WHEREAS, the Board of Mayor and Aldermen has approved the 2007 CIP as contained in the 2007 CIP budget; and

WHEREAS, Table 1 contains all sources of State, Federal and Other funds to be used in the execution of projects; and

WHEREAS, the Board of Mayor and Aldermen desires to accept two Homeland Security Grants from the State 2006 State Homeland Security Program to be used for Hazmat Equipment Training and Security Fiber Connections;

NOW, THEREFORE, be it resolved that the 2007 CIP be amended as follows:

**By adding:**

FY2007 CIP 412507 – 2006 HazMat Allocation Project - \$73,425 State

**By adding:**

FY2007 CIP 412607 – Security Fiber Connection Project - \$136,782 State

Resolved, that this Resolution shall take effect upon its passage.

### CIP BUDGET AUTHORIZATION

CIP #:  Project Year:  CIP Resolution:   
 Title:  Amending Resolution:   
 Administering Department:  Revision:

Project Description:

#### Federal Grants

Federal Grant:

#### Environmental

Review Required:

Grant Executed:

Completed:

#### Critical Events

|   |                    |                                       |
|---|--------------------|---------------------------------------|
| 1 | Program Initiation | <input type="text" value="5/16/07"/>  |
| 2 | Program Completion | <input type="text" value="12/31/07"/> |
| 3 |                    |                                       |
| 4 |                    |                                       |
| 5 |                    |                                       |

Expected Completion Date:

#### Line Item Budget

|                        | STATE   |  |  | TOTAL   |
|------------------------|---|--|--|---|
| Salaries and Wages     | <input type="text" value="\$0.00"/>             | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>             |
| Fringes                | <input type="text" value="\$0.00"/>             | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>             |
| Design/Engineering     | <input type="text" value="\$0.00"/>             | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>             |
| Planning               | <input type="text" value="\$0.00"/>             | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>             |
| Consultant Fees        | <input type="text" value="\$0.00"/>             | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>             |
| Construction Admin     | <input type="text" value="\$0.00"/>             | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>             |
| Land Acquisition       | <input type="text" value="\$0.00"/>             | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>             |
| Equipment              | <input type="text" value="\$0.00"/>             | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>             |
| Overhead               | <input type="text" value="\$0.00"/>             | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>             |
| Construction Contracts | <input type="text" value="\$0.00"/>             | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>             |
| Other                  | <input type="text" value="\$73,425.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$0.00"/>        | <input type="text" value="\$73,425.00"/>        |
| <b>TOTAL</b>           | <b><input type="text" value="\$73,425.00"/></b> | <b><input type="text" value="\$0.00"/></b> | <b><input type="text" value="\$0.00"/></b> | <b><input type="text" value="\$73,425.00"/></b> |

#### Revisions

#### COMMENTS

Funds in the amount of \$73,425 received from State of New Hampshire Department of Safety.

### CIP BUDGET AUTHORIZATION

CIP #:  Project Year:  CIP Resolution:   
 Title:  Amending Resolution:   
 Administering Department:  Revision:

Project Description:

#### Federal Grants

Federal Grant:   
 Grant Executed:

#### Environmental

Review Required:   
 Completed:

#### Critical Events

|   |                    |          |
|---|--------------------|----------|
| 1 | Program Initiation | 05/16/07 |
| 2 | Program Completion | 12/31/07 |
| 3 |                    |          |
| 4 |                    |          |
| 5 |                    |          |

Expected Completion Date:

#### Line Item Budget

|                        | STATE               |               |               | TOTAL               |
|------------------------|---------------------|---------------|---------------|---------------------|
| Salaries and Wages     | \$0.00              | \$0.00        | \$0.00        | \$0.00              |
| Fringes                | \$0.00              | \$0.00        | \$0.00        | \$0.00              |
| Design/Engineering     | \$0.00              | \$0.00        | \$0.00        | \$0.00              |
| Planning               | \$0.00              | \$0.00        | \$0.00        | \$0.00              |
| Consultant Fees        | \$0.00              | \$0.00        | \$0.00        | \$0.00              |
| Construction Admin     | \$0.00              | \$0.00        | \$0.00        | \$0.00              |
| Land Acquisition       | \$0.00              | \$0.00        | \$0.00        | \$0.00              |
| Equipment              | \$0.00              | \$0.00        | \$0.00        | \$0.00              |
| Overhead               | \$0.00              | \$0.00        | \$0.00        | \$0.00              |
| Construction Contracts | \$0.00              | \$0.00        | \$0.00        | \$0.00              |
| Other                  | \$136,782.00        | \$0.00        | \$0.00        | \$136,782.00        |
| <b>TOTAL</b>           | <b>\$136,782.00</b> | <b>\$0.00</b> | <b>\$0.00</b> | <b>\$136,782.00</b> |

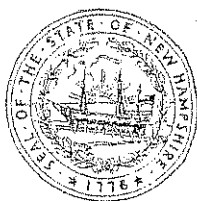
#### Revisions

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#### COMMENTS

Funds in the amount of \$136,782 received from State of New Hampshire Department of Safety.

Five



# State of New Hampshire

DEPARTMENT OF SAFETY  
JAMES H. HAYES BLDG. 33 HAZEN DR.  
CONCORD, N.H. 03305  
603/271-2559

RICHARD M. FLYNN  
COMMISSIONER OF SAFETY

EARL M. SWEENEY  
ASSISTANT COMMISSIONER

March 19, 2007

Nick Camapasano, District Fire Chief  
Manchester Fire Department Hazmat Team  
100 Merrimack Street  
Manchester, NH 03101

Re: 2006 Homeland Security Grant Program Award

Dear District Chief Campasano:

It is my pleasure to inform you that upon review of your 2006 Homeland Security Competitive Grant Application, the 2006 Homeland Security Grant Review Committee has awarded \$73,425.00 to the Manchester Fire Department Hazmat Team under the State Homeland Security Program (SHSP) portion of the 2006 Homeland Security Grant Program (HSGP) for a grant titled 2006 Hazmat Allocation. The Governor and Executive Council approved the overall acceptance and disbursement of these Federal funds on March 8, 2007.

These grant awards are subject to federal program requirements and special conditions. Enclosed please find your federal grant terms and conditions, special conditions requirements, lobbying certification, acceptance of audit requirement forms and Hazmat application. All signature forms must be returned to the Grants Management Unit within ten (10) days of the date of this letter. Special conditions requirements must be responded to within thirty (30) days of the date of this letter, including the submission of the Hazmat Application. In addition, purchase orders or other documented proofs of purchase must be submitted within 180 days of the date of this letter. Failure to meet these requirements will result in a delay in reimbursement or cancellation of your grant award.

Additional information is also available at: <http://www.nh.gov/safety/homeland/index.html>. We, at the Department of Safety, look forward to this opportunity to work diligently with local first responders, public safety officials, and other local and state officials and agencies to prepare and protect our citizens. It is our hope that we will never have to apply these skills, or use this equipment; however, we will work together to ensure that our ability to do so will be keen.

Sincerely,

A handwritten signature of Richard M. Flynn in cursive script.

Richard M. Flynn

RMF/pum  
Enclosures

7



RICHARD M. FLYNN  
COMMISSIONER OF SAFETY

# State of New Hampshire

DEPARTMENT OF SAFETY  
JAMES H. HAYES BLDG. 33 HAZEN DR.  
CONCORD, N.H. 03305  
603/271-2559

EARL M. SWEENEY  
ASSISTANT COMMISSIONER

March 19, 2007

Joseph Kane, Chief  
Manchester Fire Department  
100 Merrimack Street  
Manchester, NH 03101

Re: 2006 Homeland Security Grant Program Award

Dear Chief Kane:

It is my pleasure to inform you that upon review of your 2006 Homeland Security Competitive Grant Application, the 2006 Homeland Security Grant Review Committee has awarded \$136,782.00 to the Manchester Fire Department under the State Homeland Security Program (SHSP) portion of the 2006 Homeland Security Grant Program (HSGP) for a grant titled Security Fiber Connections. The Governor and Executive Council approved the overall acceptance and disbursement of these Federal funds on March 8, 2007.

These grant awards are subject to federal program requirements and special conditions. Enclosed please find your federal grant terms and conditions, special conditions requirements, lobbying certification and acceptance of audit requirement forms. All signature forms must be returned to the Grants Management Unit within ten (10) days of the date of this letter. Special conditions requirements must be responded to within thirty (30) days of the date of this letter. In addition, purchase orders or other documented proofs of purchase must be submitted within 180 days of the date of this letter. Failure to meet these requirements will result in a delay in reimbursement or cancellation of your grant award.

Additional information is also available at: <http://www.nh.gov/safety/homeland/index.html>. We, at the Department of Safety, look forward to this opportunity to work diligently with local first responders, public safety officials, and other local and state officials and agencies to prepare and protect our citizens. It is our hope that we will never have to apply these skills, or use this equipment; however, we will work together to ensure that our ability to do so will be keen.

Sincerely,

Richard M. Flynn

RMF/pum  
Enclosures

RECEIVED

MAR 21 2007

MANCHESTER FIRE DEPT

# City of Manchester New Hampshire

*In the year Two Thousand and Seven*

## A RESOLUTION

“Amending the FY2007 Community Improvement Program, authorizing and appropriating funds in the amount of Thirty Thousand Dollars (\$30,000) for the FY2007 CIP 612707 Neighborhood Pride – Youth Employment (Cleanstreets) Program.”

Resolved by the Board of Mayor and Aldermen of the City of Manchester as follows:

WHEREAS, the Board of Mayor and Aldermen has approved the 2007 CIP as contained in the 2007 CIP budgets; and

WHEREAS, Table 1 contains all sources of Federal, State and Other funds and Table 2 contains all sources of Community Development Block Grant, Emergency Shelter Grant and HOME funds to be used in the execution of projects; and

WHEREAS, the Board of Mayor and Aldermen desires to initiate the creation of a summer youth program utilizing existing Unprogrammed CDBG funds in the amount of \$25,000 and additional Private funding in the amount of \$5,000; and

WHEREAS, funds in the amount of \$25,000 are available through CDBG Unprogrammed funds;

NOW, THEREFORE, be it resolved that the 2007 CIP be amended as follows:

**By adding:**

CIP 612707 – Neighborhood Pride – Youth Employment (Cleanstreets) Program - \$25,000 CDBG & \$5,000 Other

Resolved, that this Resolution shall take effect upon its passage.



### CIP BUDGET AUTHORIZATION

CIP #: 612707      Project Year: 2007      CIP Resolution: 6/12/2007  
 Title: Neighborhood Pride - Youth Employment (Cleanstreets) Program      Amending Resolution: 5/15/2007  
 Administering Department: Planning & Community Development      Revision:           

Project Description: Initiation of youth employment program designed to provide job training and marketable skills to inner-city youth while also beautifying and cleaning up City neighborhoods.

**Federal Grants**      Federal Grant: No      **Environmental**      Review Required: No  
 Grant Executed:                 Completed:           

#### **Critical Events**

|   |                    |          |
|---|--------------------|----------|
| 1 | Program Initiation | 05/16/07 |
| 2 | Program Completion | 12/31/07 |
| 3 |                    |          |
| 4 |                    |          |
| 5 |                    |          |

Expected Completion Date: 12/31/2007

#### **Line Item Budget**

|                        | CDBG               | OTHER             |               | TOTAL              |
|------------------------|--------------------|-------------------|---------------|--------------------|
| Salaries and Wages     | \$15,000.00        | \$0.00            | \$0.00        | \$15,000.00        |
| Fringes                | \$0.00             | \$0.00            | \$0.00        | \$0.00             |
| Design/Engineering     | \$0.00             | \$0.00            | \$0.00        | \$0.00             |
| Planning               | \$0.00             | \$0.00            | \$0.00        | \$0.00             |
| Consultant Fees        | \$0.00             | \$0.00            | \$0.00        | \$0.00             |
| Construction Admin     | \$0.00             | \$0.00            | \$0.00        | \$0.00             |
| Land Acquisition       | \$0.00             | \$0.00            | \$0.00        | \$0.00             |
| Equipment              | \$0.00             | \$0.00            | \$0.00        | \$0.00             |
| Overhead               | \$5,000.00         | \$0.00            | \$0.00        | \$5,000.00         |
| Construction Contracts | \$0.00             | \$0.00            | \$0.00        | \$0.00             |
| Other                  | \$5,000.00         | \$5,000.00        | \$0.00        | \$10,000.00        |
| <b>TOTAL</b>           | <b>\$25,000.00</b> | <b>\$5,000.00</b> | <b>\$0.00</b> | <b>\$30,000.00</b> |

#### **Revisions**

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|  |
|  |
|  |
|  |

**COMMENTS** Funds in the amount of \$5,000 from Private Donations.

8





Robert S. MacKenzie, AICP  
Director

# CITY OF MANCHESTER


## Planning and Community Development

Planning  
Community Improvement Program  
Growth Management



Staff to:  
Planning Board  
Heritage Commission  
Millyard Design Review Committee

Memo to: Committee on CIP

From: Robert S. MacKenzie 

Date: April 30, 2007

Subject: Neighborhood Pride Youth Employment Program

Proposed in the FY2008 CIP is the creation of a project entitled Neighborhood Pride Cleanstreets. This project is intended to be multi-purpose in impact providing summer employment to inner city youth (ages 14-18) while also cleaning up and beautifying City Streets and on a limited other City areas/facilities. It is anticipated that 30-35 youth will be employed primarily through the use of CDBG funds and on a limited basis some private funds as well.

Inasmuch as the Project should ideally be started upon the close of school and the fact that next year's CDBG funds will not be available until the latter part of July we are requesting that existing unprogrammed CDBG funds in the amount of \$25,000 be allocated as part of this years 2007 CIP. In order to do that, we have attached an amending resolution and budget authorization for the Committee's review and hopeful recommendation for approval to the full Board.

Attachments:



One City Hall Plaza, Manchester, New Hampshire 03101  
Phone: (603) 624-6450 Fax: (603) 624-6529  
E-mail: [planning@ManchesterNH.gov](mailto:planning@ManchesterNH.gov)  
[www.ManchesterNH.gov](http://www.ManchesterNH.gov)

# City of Manchester New Hampshire

*In the year Two Thousand and Seven*

## A RESOLUTION

"Amending the FY 2007 Community Improvement Program, authorizing and appropriating funds in the amount of Six Hundred Thousand Dollars (\$600,000) for FY2007 CIP 712207 Hands Across The Merrimack Project."

Resolved by the Board of Mayor and Aldermen of the City of Manchester as follows:

WHEREAS, the Board of Mayor and Aldermen has approved the 2007 CIP as contained in the 2007 CIP budget; and

WHEREAS, Table 1 contains all sources of State, Federal and Other funds to be used in the execution of projects; and

WHEREAS, the Board of Mayor and Aldermen desires to accept funds in the amount of \$600,000 from the State of New Hampshire Department of Transportation - ISTEA Program for the construction of the Hands Across the Merrimack Pedestrian Bridge;

NOW, THEREFORE, be it resolved that the 2007 CIP be amended as follows:

**By increasing:**

FY2007 CIP 712207 – Hands Across The Merrimack Project - \$600,000 – State ISTEA  
(From \$250,000 Bond to \$250,000 Bond; \$600,000 State)

Resolved, that this Resolution shall take effect upon its passage.

# CIP BUDGET AUTHORIZATION

CIP #: 712207 Project Year: 2007 CIP Resolution: 6/12/2006  
 Title: Hands Across The Merrimack Amending Resolution: 5/15/2007  
 Administering Department: Planning & Community Development Revision:

Project Description: Funding to construct the Hands Across The Merrimack pedestrian bridge.

**Federal Grants** Federal Grant: No **Environmental** Review Required: No  
 Grant Executed:  Completed:

## Critical Events

|   |                    |          |
|---|--------------------|----------|
| 1 | Program Initiation | 05/16/07 |
| 2 | Program Completion | 12/31/07 |
| 3 |                    |          |
| 4 |                    |          |
| 5 |                    |          |

Expected Completion Date: 12/31/2007

## Line Item Budget

|                        | BOND                | OTHER               |               | TOTAL               |
|------------------------|---------------------|---------------------|---------------|---------------------|
| Salaries and Wages     | \$0.00              | \$0.00              | \$0.00        | \$0.00              |
| Fringes                | \$0.00              | \$0.00              | \$0.00        | \$0.00              |
| Design/Engineering     | \$0.00              | \$0.00              | \$0.00        | \$0.00              |
| Planning               | \$0.00              | \$0.00              | \$0.00        | \$0.00              |
| Consultant Fees        | \$0.00              | \$0.00              | \$0.00        | \$0.00              |
| Construction Admin     | \$0.00              | \$0.00              | \$0.00        | \$0.00              |
| Land Acquisition       | \$0.00              | \$0.00              | \$0.00        | \$0.00              |
| Equipment              | \$0.00              | \$0.00              | \$0.00        | \$0.00              |
| Overhead               | \$0.00              | \$0.00              | \$0.00        | \$0.00              |
| Construction Contracts | \$250,000.00        | \$600,000.00        | \$0.00        | \$850,000.00        |
| Other                  | \$0.00              | \$0.00              | \$0.00        | \$0.00              |
| <b>TOTAL</b>           | <b>\$250,000.00</b> | <b>\$600,000.00</b> | <b>\$0.00</b> | <b>\$850,000.00</b> |

## Revisions

## COMMENTS

To be combined with previous allocation identified in 710205. Funds in the amount of \$600,000 are allocated through the State ISTEPA Program.

# CIP BUDGET AUTHORIZATION

CIP #: 810306 Project Year:                      CIP Resolution: 5/17/2005  
 Title: Economic Development Planning/Master Plan Amending Resolution:                       
 Administering Department: MEDO/Planning & Community Development Revision: #1

Project Description: Funding for various economic development studies and Master Plan updating.

**Federal Grants** Federal Grant: Yes **Environmental** Review Required: Yes  
 Grant Executed:                      Completed:                     

## Critical Events

|   |  |          |
|---|--|----------|
| 1 | Program Initiation - July 2005 Estimation* | 7/1/05   |
| 2 | Program Completion -                       | 12/31/07 |
| 3 |  |          |
| 4 |  |          |
| 5 |  |          |

Expected Completion Date: 12/31/2007

## Line Item Budget

|                        | CDBG               | FEDERAL            |               | TOTAL               |
|------------------------|--------------------|--------------------|---------------|---------------------|
| Salaries and Wages     | \$0.00             | \$0.00             | \$0.00        | \$0.00              |
| Fringes                | \$0.00             | \$0.00             | \$0.00        | \$0.00              |
| Design/Engineering     | \$0.00             | \$0.00             | \$0.00        | \$0.00              |
| Planning               | \$0.00             | \$0.00             | \$0.00        | \$0.00              |
| Consultant Fees        | \$0.00             | \$0.00             | \$0.00        | \$0.00              |
| Construction Admin     | \$0.00             | \$0.00             | \$0.00        | \$0.00              |
| Land Acquisition       | \$0.00             | \$0.00             | \$0.00        | \$0.00              |
| Equipment              | \$0.00             | \$0.00             | \$0.00        | \$0.00              |
| Overhead               | \$0.00             | \$0.00             | \$0.00        | \$0.00              |
| Construction Contracts | \$0.00             | \$0.00             | \$0.00        | \$0.00              |
| Other                  | \$50,000.00        | \$60,000.00        | \$0.00        | \$110,000.00        |
| <b>TOTAL</b>           | <b>\$50,000.00</b> | <b>\$60,000.00</b> | <b>\$0.00</b> | <b>\$110,000.00</b> |

## Revisions

Revision #1 - extends project until 12/31/07.

## COMMENTS

\*Authorization to expend CDBG funds contingent upon execution of HUD Agreement.

17

# Memo

**To:** Committee on Community Improvement  
**From:** Glen Ohlund  
**CC:** Jay Minkarah  
**Date:** 5/1/2007  
**Re:** Community Revitalization Tax Relief Incentive Application (RSA 79-E)

---

Messrs:

Enclosed please find a final draft of the application for tax relief under RSA 79-E adopted by a motion of the Board of Mayor and Alderman on 14 November 2006, following report and recommendation of the Committee on Community Improvement.

MEDO staff looks forward to discussing this application and planned review process at your next meeting.

Respectfully,

Glen Ohlund

[gohlund@manchesternh.gov](mailto:gohlund@manchesternh.gov)

624-6505 x 4103



# CITY OF MANCHESTER

## Economic Development Office



### Community Revitalization Tax Relief Incentive Application

|   |   |
|---|---|
| Building Name (if any)<br><br>Building Address  | Owner Name(s)<br><br>Applicant Name(s) (if different from owner)  |
| Owner Address (es)<br><br>Phone #<br>Email address  | Applicant Address (if different from owner)<br><br>Phone #<br>Email address   |
| Map#<br><br>Lot#  | Book#<br><br>Page #   |
| Year Built _____<br><br>Square Footage of Building _____  | Is the building eligible or listed on the State or National Register of Historic Places or located in a Local, State, or Federal Historic District? Yes _____ No _____<br><br>provide historic district name if applicable) |
| Existing Uses (describe number of units by type and size )<br><br>Proposed Uses (describe number of units by type and size) | Is there a change of use associated with this project? ____ Yes ____ No ____<br>If so, please describe:   |
| Will the project include new residential units?<br>____ Yes ____ No<br><br>If yes, please describe:                         | Will the project include new affordable residential units? ____ Yes ____ No<br><br>If yes, please describe:   |

**Note:** Application must be accompanied by a \$50 Application Fee made payable to "City of Manchester"

//

**Will any state or federal grants or funds be used in this project? If so, describe and detail any terms of repayment** (if applicable)

**Describe the work to be done and estimated cost:** please attach additional sheets if necessary and any written construction estimates

|  |    |
|--|----|
| Structural:  | \$ |
| Electrical:  | \$ |
| Plumbing/Heating:  | \$ |
| Mechanical:  | \$ |
| Other:   | \$ |
| Total:<br>Note: To qualify for this tax relief incentive, the costs of the project must be at least 15% of the pre-rehabilitation assessed value or \$75,000, whichever is less. | \$ |

Please attach any plot plans, building plans, sketches, renderings or photographs that would help explain this application.

**APPROVAL BY A MAJORITY OF MAYOR AND ALDERMEN REQUIRED**

I have read and understand the Community Revitalization Tax Relief Incentive RSA Ordinance (see following pages) and am aware that this will be a public process including a public hearing to be held to discuss the merits of this application and the subsequent need to enter into a covenant with the City and pay any reasonable expenses associated with the drafting of the covenant.

Applicant: (signed) \_\_\_\_\_ (name printed) \_\_\_\_\_ Date \_\_\_\_\_

Expected project start: \_\_\_\_\_ Expected project completion: \_\_\_\_\_

## TITLE V TAXATION

### CHAPTER 79-E COMMUNITY REVITALIZATION TAX RELIEF INCENTIVE

#### Section 79-E:1

##### **79-E:1 Declaration of Public Benefit. –**

I. It is declared to be a public benefit to enhance downtowns and town centers with respect to economic activity, cultural and historic character, sense of community, and in-town residential uses that contribute to economic and social vitality.

II. It is further declared to be a public benefit to encourage the rehabilitation of the many underutilized structures in urban and town centers as a means of encouraging growth of economic, residential, and municipal uses in a more compact pattern, in accordance with RSA 9-B.

III. Short-term property assessment tax relief and a related covenant to protect public benefit as provided under this chapter are considered to provide a demonstrated public benefit if they encourage substantial rehabilitation and use of qualifying structures as defined in this chapter.

**Source.** 2006, 167:1, eff. April 1, 2006.

#### Section 79-E:2

##### **79-E:2 Definitions. –** In this chapter:

I. "'Qualifying structure" means a building located in a district officially designated in a municipality's master plan, or by zoning ordinance, as a downtown, town center, central business district, or village center, or, where no such designation has been made, in a geographic area which, as a result of its compact development patterns and uses, is identified by the governing body as the downtown, town center, or village center for purposes of this chapter.

II. "'Substantial rehabilitation" means rehabilitation of a qualifying structure which costs at least 15 percent of the pre-rehabilitation assessed valuation or at least \$75,000, whichever is less.

III. "'Tax relief" means that for a period of time determined by a local governing body in accordance with this chapter, the property tax on a qualifying structure shall not increase as a result of the substantial rehabilitation thereof.

IV. "'Tax relief period" means the finite period of time during which the tax relief will be effective, as determined by a local governing body pursuant to RSA 79-E:5.

**Source.** 2006, 167:1, eff. April 1, 2006.

#### Section 79-E:3

##### **79-E:3 Adoption of Community Revitalization Tax Relief Incentive Program –**

I. Any city or town may adopt the provisions of this chapter by voting whether to accept for consideration requests for community revitalization tax relief incentives. Any city or town may do so by following the procedures in this section.

II. In a town, other than a town that has adopted a charter pursuant to RSA 49-D, the question shall be placed on the warrant of a special or annual town meeting, by the governing body or by petition under RSA 39:3.

III. In a city or town that has adopted a charter under RSA 49-C or RSA 49-D, the legislative body may consider and act upon the question in accordance with its normal procedures for passage of resolutions, ordinances, and other legislation. In the alternative, the legislative body of such municipality may vote to place the question on the official ballot for any regular municipal election.

IV. If a majority of those voting on the question vote "'yes," applications for community revitalization tax relief incentives may be accepted and considered by the local governing body at any time thereafter, subject to the provisions of paragraph VI of this section.

V. If the question is not approved, the question may later be voted on according to the provisions of paragraph II or III of this section, whichever applies.



VI. The local governing body of any town or city that has adopted this program may consider rescinding its action in the manner described in paragraph II or III of this section, whichever applies. A vote terminating the acceptance and consideration of such applications shall have no effect on incentives previously granted by the city or town, nor shall it terminate consideration of applications submitted prior to the date of such vote.

**Source.** 2006, 167:1, eff. April 1, 2006.

#### **Section 79-E:4**

##### **79-E:4 Community Revitalization Tax Relief Incentive. –**

I. An owner of a qualifying structure who intends to substantially rehabilitate such structure may apply to the governing body of the municipality in which the property is located for tax relief. The applicant shall include the address of the property, a description of the intended rehabilitation, any changes in use of the property resulting from the rehabilitation, and an application fee.

II. Upon receipt of an application, the governing body shall hold a duly noticed public hearing to take place no later than 60 days from receipt of the application, to determine whether the structure at issue is a qualifying structure; whether the proposed rehabilitation qualifies as substantial rehabilitation; and whether there is a public benefit to granting the requested tax relief and, if so, for what duration.

III. No later than 45 days after the public hearing, the governing body shall render a decision granting or denying the requested tax relief and, if so granting, establishing the tax relief period.

IV. (a) The governing body may grant the tax relief, provided:

(1) The governing body finds a public benefit under RSA 79-E:7; and

(2) The specific public benefit is preserved through a covenant under RSA 79-E:8; and

(3) The governing body finds that the proposed use is consistent with the municipality's master plan or development regulations.

(b) If the governing body grants the tax relief, the governing body shall identify the specific public benefit achieved under RSA 79-E:7, and shall determine the precise terms and duration of the covenant to preserve the public benefit under RSA 79-E:8.

V. If the governing body, in its discretion, denies the application for tax relief, such denial shall be accompanied by a written explanation. The governing body's decision may be appealed either to the board of tax and land appeals or the superior court in the same manner as provided for appeals of current use classification pursuant to RSA 79-A:9 or 79-A:11 provided, however, that such denial shall be deemed discretionary and shall not be set aside by the board of tax and land appeals or the superior court except for bad faith or discrimination.

**Source.** 2006, 167:1, eff. April 1, 2006.

#### **Section 79-E:5**

##### **79-E:5 Duration of Tax Relief Period. –**

I. The governing body may grant such tax assessment relief for a period of up to 5 years, beginning with the completion of the substantial rehabilitation.

II. The governing body may, in its discretion, add up to an additional 2 years of tax relief for a project that results in new residential units and up to 4 years for a project that includes affordable housing.

III. The governing body may, in its discretion, add up to an additional 4 years of tax relief for the substantial rehabilitation of a qualifying structure that is listed on or determined eligible for listing on the National Register of Historic Places, state register of historic places, or is located within and important to a locally designated historic district, provided that the substantial rehabilitation is conducted in accordance with the U.S. Secretary of Interior's Standards for Rehabilitation.

**Source.** 2006, 167:1, eff. April 1, 2006.

#### **Section 79-E:6**

**79-E:6 Resumption of Full Tax Liability.** – Upon expiration of the tax relief period, the property shall be taxed at its market value in accordance with RSA 75:1.

**Source.** 2006, 167:1, eff. April 1, 2006.

#### **Section 79-E:7**

**79-E:7 Public Benefit.** – The proposed substantial rehabilitation must provide at least one of the following public benefits in order to qualify for tax relief under this chapter:

- I. It enhances the economic vitality of the downtown;
- II. It enhances and improves a structure that is culturally or historically important on a local, regional, state, or national level, either independently or within the context of an historic district, town center, or village center in which the building is located;
- III. It promotes development of municipal centers, providing for efficiency, safety, and a greater sense of community, consistent with RSA 9-B; or
- IV. It increases residential housing in urban or town centers.

**Source.** 2006, 167:1, eff. April 1, 2006.

#### **Section 79-E:8**

##### **79-E:8 Covenant to Protect Public Benefit. –**

I. Tax relief for the substantial rehabilitation of a qualifying structure shall be effective only after a property owner grants to the municipality a covenant ensuring that the structure shall be maintained and used in a manner that furthers the public benefits for which the tax relief was granted.

II. The covenant shall be coextensive with the tax relief period. The covenant may, if required by the governing body, be effective for a period of time up to twice the duration of the tax relief period.

III. The covenant shall include provisions requiring the property owner to obtain casualty insurance, and flood insurance if appropriate. The covenant may include, at the governing body's sole discretion, a lien against proceeds from casualty and flood insurance claims for the purpose of ensuring proper restoration or demolition of damaged structures and property. If the property owner has not begun the process of restoration, rebuilding, or demolition of such structure within one year following damage or destruction, the property owner shall be subject to the termination of provisions set forth in RSA 79-E:9, I.

IV. The local governing body shall provide for the recording of the covenant to protect public benefit with the registry of deeds. It shall be a burden upon the property and shall bind all transferees and assignees of such property.

V. The applicant shall pay any reasonable expenses incurred by the municipality in the drafting, review, and/or execution of the covenant. The applicant also shall be responsible for the cost of recording the covenant.

**Source.** 2006, 167:1, eff. April 1, 2006.

#### **Section 79-E:9**

##### **79-E:9 Termination of Covenant; Reduction of Tax Relief; Penalty. –**

I. If the owner fails to maintain or utilize the building according to the terms of the covenant, or fails to restore, rebuild, or demolish the structure following damage or destruction as provided in RSA 79-E:8, III, the governing body shall, after a duly noticed public hearing, determine whether and to what extent the public benefit of the rehabilitation has been diminished and shall determine whether to terminate or reduce the tax relief period in accordance with such determination. If the covenant is terminated, the governing body shall assess all taxes to the owner as though no tax relief was granted, with interest in accordance with paragraph II.

II. Any tax payment required under paragraph I shall be payable according to the following procedure:

(a) The commissioner of the department of revenue administration shall prescribe and issue forms to the local assessing officials for the payment due, which shall provide a description of the property, the market value assessment according to RSA 75:1, and the amount payable.

(b) The prescribed form shall be prepared in quadruplicate. The original, duplicate, and triplicate copy of the form shall be given to the collector of taxes for collection of the payment along with a special tax warrant authorizing the collector to collect the payment under the warrant. The quadruplicate copy of the form shall be retained by the local assessing officials for their records.

(c) Upon receipt of the special tax warrant and prescribed forms, the tax collector shall mail the duplicate copy of the tax bill to the owner responsible for the tax as the notice of payment.

(d) Payment shall be due not later than 30 days after the mailing of the bill. Interest at the rate of 18 percent per annum shall be due thereafter on any amount not paid within the 30-day period. Interest at 12 percent per annum shall be charged upon all taxes that would have been due and payable on or before December 1 of each tax year as if no tax relief had been granted.

**Source.** 2006, 167:1, eff. April 1, 2006.

#### **Section 79-E:10**

**79-E:10 Lien for Unpaid Taxes.** – The real estate of every person shall be held for the taxes levied pursuant to RSA 79-E:9.

**Source.** 2006, 167:1, eff. April 1, 2006.

#### **Section 79-E:11**

**79-E:11 Enforcement.** – All taxes levied pursuant to RSA 79-E:9 which are not paid when due shall be collected in the same manner as provided in RSA 80:1-80:42-a.

**Source.** 2006, 167:1, eff. April 1, 2006.

#### **Section 79-E:12**

**79-E:12 Rulemaking.** – The commissioner of the department of revenue administration shall adopt rules, pursuant to RSA 541-A, relative to the payment and collection procedures under RSA 79-E:9.

**Source.** 2006, 167:1, eff. April 1, 2006.

#### **Section 79-E:13**

##### **79-E:13 Extent of Tax Relief.** –

I. Tax relief granted under this chapter shall pertain only to assessment increases attributable to the substantial rehabilitation performed under the conditions approved by the governing body and not to those increases attributable to other factors including but not limited to market forces; or

II. Tax relief granted under this chapter shall be calculated on the value in excess of the original assessed value. Original assessed value shall mean the value of the qualifying structure assessed at the time the governing body approves the application for tax relief and the owner grants to the municipality the covenant to protect public benefit as required in this chapter.

**Source.** 2006, 167:1, eff. April 1, 2006.

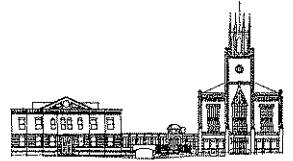
#### **Section 79-E:14**

**79-E:14 Other Programs.** – The provisions of this chapter shall not apply to properties whose rehabilitation or construction is subsidized by state or federal grants or funds that do not need to be repaid totaling more than 50 percent of construction costs from state or federal programs.

**Source.** 2006, 167:1, eff. April 1, 2006.



## CITY OF MANCHESTER Economic Development Office



April 30, 2007

Michael Garrity, Chairman  
Committee on Community Improvement  
City of Manchester  
One City Hall Plaza  
Manchester, NH 03101

Re: Jac Pac Ongoing Maintenance Budget Update

Dear Chairman Garrity and Members of the Committee:

The FY 2005 Community Improvement Program authorized \$3,400,000 in funding for the "Jac Pac Acquisition Project" (see attached). An additional \$96,100 was contributed to the project from other sources including \$75,000 from the Manchester Development Authority for a "Strategic Plan." As I am sure you are aware, the site is currently owned and maintained by the Manchester Housing & Redevelopment Authority (MHRA). The MHRA bills the City monthly for its carrying costs in maintaining the site through the Manchester Economic Development Office (MEDO).

Because the site has been held longer than anticipated, certain line items in the approved budget have been or will be exceeded upon payment of the March invoice (see attached copy). These include the Admin/ Professional Expertise and Maintenance & Security line items. Nevertheless, as of the end of March, a balance of \$161,194.61 remained in the budget due to under runs in other line items or items for which no funds have been expended such as for demolition (\$100,000) or the strategic plan (\$75,000).

Assuming that no funds are expended for other purposes, sufficient funds would remain to cover maintenance and security related expenditures without exceeding the bottom line of the approved project budget for at least the next few months. It is my understanding that the MHRA intends to continue to provide property maintenance and security services for the Jac Pac site until otherwise directed. Likewise, MEDO expects to continue to authorize payment of MHRA invoices within the limits of the overall approved budget unless otherwise directed.

If you have any questions related to these or other matters, please do not hesitate to contact me at your convenience. Thank you.

Sincerely,

Jay Minkarah  
Manchester Economic Development Office

cc: Hon Frank Guinta, Mayor  
Dick Dunfey, Executive Director, MHRA

One City Hall Plaza, Manchester, NH 03101 Phone (603) 624-6505 Fax (603) 624-6308  
Email: econdev@manchesterNH.gov

www.ManchesterNH.gov

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EXHIBIT A1

**City of Manchester  
New Hampshire**

*In the year Two Thousand and Four*

**A RESOLUTION**

"Amending the FY 2005 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Three Million Four Hundred Thousand Dollars (\$3,400,000) for CIP 613105 "Jac Pac" Acquisition Project."

Resolved by the Board of Mayor and Aldermen of the City of Manchester as follows:

WHEREAS, the Board of Mayor and Aldermen has approved the 2005 CIP as contained in the 2005 CIP budget; and

WHEREAS, Table 3 contains all sources of Cash funds to be used in the execution of projects; and

WHEREAS, for the purpose of economic development the Board of Mayor and Aldermen desires to provide funding in the amount of \$3,400,000 for the acquisition of the so called "Jac Pac" project and related development costs; and

WHEREAS, funds in at least that amount are available from the City's "Special Revenue Reserve Account";

NOW, THEREFORE, be it resolved that the 2005 CIP be amended as follows:

1. By decreasing:

"Special Revenue Reserve Account - \$3,400,000

By adding:

FY2005 613105 - "Jac Pac" Acquisition Project - \$3,400,000 Special Revenue Reserve Account

Resolved, that this Resolution shall take effect upon its passage.

August 25, 2004. In Board of Mayor and Aldermen. Passed to be Enrolled.

  
Mayor

# Associated costs

| <u>Items</u>             | <u>Cost</u> | <u>Source of Funding</u> |
|--------------------------|-------------|--------------------------|
| Acquisition              | \$3 million | OTR                      |
| Demolition               | 100,000     | OTR                      |
| Admin/ Professional Exp. | 70,000      | OTR                      |
| Envtl. Due Diligence     | 42,500      | OTR                      |
| Insurance                | 25,000      | OTR                      |
| Title Insurance          | 5,100       | OTR                      |
| Maintenance / Security   | 84,000      | OTR                      |
| Utilities                | 94,500      | OTR                      |
| Strategic plan           | 75,000      | MDC                      |
| Total                    | \$3,495,850 |                          |

04-16-2007 LCVD

# Memo

To: Glenn Ohlund  
From: Carl West  
Re: JAC PAC expenses  
Date: 4/13/2007  
CC:

*Carl*

Hello Glenn:

Attached is a spreadsheet showing expenses we have incurred for JAC PAC through 03/31/07.

The amount due for March, 2007 is \$10,888.29

Please let me know if you need more information.

Carl West  
Manchester Housing & Redevelopment Authority  
198 Hanover Street  
Manchester, NH 03104  
603-624-2127  
cwest@manchesterhousing.org

Doc ID# 5/15/07  
Vndr CD 29815  
Doc Total 10,888.29  
Fund/Org 05CAC10968  
Activ/Obj 925-055  
Project 613105  
PO#/Ln \_\_\_\_\_  
Approved \_\_\_\_\_

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| JAC - PAC                    | 9/30/2004 | 10/31/2004 | 11/30/2004 | 1/31/2005    | 2/28/2005 | 3/31/2005 | 4/30/2005 | 5/31/2005 | 6/30/2005 | 7/31/2005  | 8/31/2005 |
|------------------------------|-----------|------------|------------|--------------|-----------|-----------|-----------|-----------|-----------|------------|-----------|
| Approved Budget              |           |            |            |              |           |           |           |           |           |            |           |
| Acquisition                  |           |            |            | 2,500,000.00 |           |           |           |           |           | 500,000.00 |           |
| Taxes                        |           |            |            | 54,696.60    |           |           |           |           |           |            |           |
| Demolition                   |           |            |            |              |           |           |           |           |           |            |           |
| Admin/Professional Expertise | 18.72     | 131.06     |            | 18,688.38    | 12,217.19 | 542.63    | 1,827.89  | 4,096.90  | 663.37    | 935.56     | 3,154.09  |
| Environmental Due Diligence  |           | 170.00     | 1,800.00   | 19,610.27    | 5,723.79  |           |           |           |           |            |           |
| Insurance                    |           |            |            | 3,450.00     |           |           |           |           |           |            |           |
| Title Insurance              |           |            |            |              |           |           |           |           |           |            |           |
| Maintenance/Security         |           |            |            |              | 3,200.00  | 5,702.10  | 3,200.00  | 3,200.00  | 3,920.00  | 3,120.00   | 4,694.00  |
| Utilities                    |           |            |            |              | 2,671.88  | 5,346.54  | 3,581.70  | 2,359.81  | 2,077.94  | 2,317.36   | 2,474.28  |
| Strategic Plan               |           |            |            |              |           |           |           |           |           |            |           |
| Total                        | 18.72     | 301.06     | 1,800.00   | 2,596,445.25 | 23,812.86 | 11,591.27 | 8,609.59  | 9,656.71  | 6,661.31  | 506,372.92 | 10,322.37 |

|                              |                |
|------------------------------|----------------|
| Total Expenses thru 03/31/07 | 3,384,905.39   |
| Received from City           | (3,263,973.38) |
| Received from City via Craig | (50,192.22)    |
| Total Due MHPA               | 30,739.79      |



| JAC - PAC                    | 9/30/2005 | 10/31/2005 | 11/30/2005 | 12/31/2005 | 1/31/2006 | 2/28/2006 | 3/31/2006 | 4/30/2006 | 5/31/2006 | 6/30/2006 | 7/31/2006 | 8/31/2006 | 9/30/2006 | 10/31/2006 |
|------------------------------|-----------|------------|------------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| Acquisition                  |           |            |            |            |           |           |           |           |           |           |           |           |           |            |
| Taxes                        |           |            |            |            |           |           |           |           |           |           |           |           |           |            |
| Demolition                   |           |            |            |            |           |           |           |           |           |           |           |           |           |            |
| Admin/Professional Expertise | 414.67    | 188.13     | 679.96     | 380.72     | 1,955.49  | 1,357.82  | 1,541.69  | 1,469.80  | 550.59    | 1,298.88  | 1,857.53  | 428.89    | 5,929.34  | 1,968.19   |
| Environmental Due Diligence  |           |            |            | 3,450.00   |           |           |           |           |           |           |           |           |           |            |
| Insurance                    |           |            |            |            |           |           |           |           |           |           |           |           |           |            |
| Title Insurance              | 4,720.00  | 2,584.57   | 3,255.00   | 3,920.00   | 3,256.34  | 4,791.42  | 4,227.07  | 3,294.98  | 3,200.59  | 4,213.55  | 3,258.18  | 5,494.00  | 3,450.73  | 3,331.59   |
| Maintenance/Security         | 2,221.29  | 2,648.30   | 2,359.89   | 3,539.75   | 1,102.84  | 4,824.06  | 3,544.51  | 2,742.12  | 1,828.05  | 2,005.49  | 2,018.26  | 1,714.85  | 1,896.77  | 2,044.56   |
| Utilities                    |           |            |            |            |           |           |           |           |           |           |           |           |           |            |
| Strategic Plan               |           |            |            |            |           |           |           |           |           |           |           |           |           |            |
| Total                        | 7,355.96  | 5,421.00   | 6,294.85   | 11,290.47  | 6,314.67  | 10,973.30 | 9,313.27  | 7,506.90  | 5,579.23  | 7,517.92  | 7,133.97  | 7,637.74  | 11,276.84 | 7,344.34   |

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| JAC - PAC                    | 11/30/2006 | 12/31/2006 | 1/31/2007 | 2/28/2007 | 3/31/2007 | Total        | Balance     |
|------------------------------|------------|------------|-----------|-----------|-----------|--------------|-------------|
| Acquisition                  |            |            |           |           |           | 3,000,000.00 | 0.00        |
| Taxes                        |            |            |           |           |           | 54,696.60    | (54,696.60) |
| Demolition                   |            |            |           |           |           | 0.00         | 100,000.00  |
| Admin/Professional Expertise | 568.24     | 1,012.07   | 2,418.59  | 3,462.79  | 2,894.81  | 72,653.99    | (2,653.99)  |
| Environmental Due Diligence  |            |            |           |           |           | 27,304.06    | 15,195.94   |
| Insurance                    |            | 3,450.00   |           |           |           | 10,350.00    | 14,650.00   |
| Title Insurance              |            |            |           |           |           | 0.00         | 5,100.00    |
| Maintenance/Security         | 4,724.53   | 3,701.95   | 3,071.86  | 4,811.95  | 4,444.74  | 100,789.15   | (16,789.15) |
| Utilities                    | 1,996.13   | 2,160.16   | 2,610.53  | 3,475.78  | 3,548.74  | 69,111.59    | 25,388.41   |
| Strategic Plan               |            |            |           |           |           | 0.00         | 75,000.00   |
|                              |            |            |           |           |           |              | 0.00        |
| Total                        | 7,288.90   | 10,324.18  | 8,100.98  | 11,750.52 | 10,888.29 | 3,334,905.39 | 161,194.61  |

**LeBlond-Kang, Paula**

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**From:** Sheppard, Kevin  
**Sent:** Friday, April 06, 2007 4:29 PM  
**To:** LeBlond-Kang, Paula  
**Cc:** Thomas, Frank  
**Subject:** CIP Meeting

Paula, Alderman Garrity asked that I forward to you the FY '08 Traffic C.I.P. request. Item 5, annual striping program, is the project he is interested in.

He also wanted me to get you some information on purchasing a vehicle for one of our inspectors, who currently is reimbursed mileage for use of his personal vehicle. The cost of the vehicle would be approximately \$11,000 and there is a projected balance in the FY 07 M.E.R. program of \$14,000, therefore adequate funds, should the Committee approve this item.

Please call me or have Alderman Garrity contact me, should there be any questions pertaining to this.

Thanks, Hope you had a great Easter!

CIP 1 - ACTIVITY SUMMARY FORM FY2008

DEPARTMENT/  
AGENCY: Traffic Division

E-MAIL: LORELEIGH.MOORE@CITYOFMILWAUKEE.ORG  
PHONE #: 624-6581

CONTACT: Jim Hoben

| PRIORITY | PROGRAM/PROJECT NAME                            | FY2008 ESTIMATED COSTS |       |         |       | FUTURE YEAR REQUESTS - CITY FUNDS |      |      |      |      |      |
|----------|---|------------------------|-------|---------|-------|-----------------------------------|------|------|------|------|------|
|          |   | CITY                   | STATE | FEDERAL | OTHER | TOTAL                             | 2009 | 2010 | 2011 | 2012 | 2013 |
|          | 1 Elm Street Mast Arm Replacement               | \$90,000               |       |         |       |                                   |      |      |      |      |      |
|          | 2 Traffic Signal Reconstruction                 | \$85,000               |       |         |       |                                   |      |      |      |      |      |
|          | 3 Front Street and Dunbarton Road Signalization | \$220,000              |       |         |       |                                   |      |      |      |      |      |
|          | 4 Sign Structure Inspection and Repairs         | \$100,000              |       |         |       |                                   |      |      |      |      |      |
|          | 5 Annual Striping Program                       | \$75,000               |       |         |       |                                   |      |      |      |      |      |
|          | 6 Thermoplastic pavement marking program        | \$50,000               |       |         |       |                                   |      |      |      |      |      |
|          | 7 Stamped epoxy crosswalk construction          | \$30,000               |       |         |       |                                   |      |      |      |      |      |
|          | 8 Snow Emergency Warning Strobes                | \$20,000               |       |         |       |                                   |      |      |      |      |      |
|          | 9 Bridge Street School Zone Flashers            | \$14,000               |       |         |       |                                   |      |      |      |      |      |
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SPECIAL INSTRUCTIONS

\* PLEASE LIST IN ORDER OF PRIORITY; DO NOT USE SUB-CATEGORIES (IE. 1, 1A ETC.)

C = CITY

F = FEDERAL (PLEASE INDICATE WHAT TYPE OF FUNDING NEXT TO EACH AMOUNT)

O = OTHER

S = STATE

Shared/CIP/FY2008

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**CIP 2 - CIP ACTIVITY FINANCIAL REQUEST**  
**FY 2008**

PROJECT TITLE: #5 Annual Striping Program

DEPARTMENT/  
AGENCY: Traffic Division

CIP PROJECT #: \_\_\_\_\_

AREA: \_\_\_\_\_ (FOR CIP USE ONLY)

PRIORITY #: \_\_\_\_\_

GOAL: \_\_\_\_\_

OBJECTIVE: \_\_\_\_\_

TOTAL # OF BENFICIARIES: \_\_\_\_\_

**GENERAL DESCRIPTION/BENEFITS:**

To contract out the annual road striping currently performed by Traffic Division staff. The scope of the work will include striping over 1,039,500 linear feet of reflectorized 4 inch double yellow lines and 539,000 linear feet of 4 inch reflectorized white lines (broken white, solid white lane lines and edge lines).

**PERFORMANCE MEASURES:**

to perform the task more efficiently and to free up the Traffic staff to install the other pavement markings, which includes arrow and legend stencils, crosswalks and stop bars.

**BUDGET HISTORY:**

|  |
|--|
|  |
|--|

**PROJECT PERIOD:**

7-Jul TO: 8-Jun

**CRITICAL EVENTS:**

data gathering and bid prep

bid award and completion

**DATES:**

July 07-February 08

March 08-June 08

13

Project Name: #5 Annual Striping Program

Traffic Division

## CIP 3 - PRELIMINARY ACTIVITY BUDGET REQUESTED

| LINE ITEM                | 7/1/07-6/30/08<br>2008 | 7/1/08-6/30/09<br>2009 | 7/1/09-6/30/10<br>2010 | 7/1/10-6/30/11<br>2011 | 7/1/11-6/30/12<br>2012 | 7/1/12-6/30/13<br>2013 |
|--------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| 0110 SALARIES & WAGES    |                        |                        |                        |                        |                        |                        |
| 0230 FRINGES             |                        |                        |                        |                        |                        |                        |
| 0960 DESIGN/ ENGINEERING |                        |                        |                        |                        |                        |                        |
| 0962 CONSULTANT FEES     |                        |                        |                        |                        |                        |                        |
| 0963 CONSTRUCTION ADMIN  |                        |                        |                        |                        |                        |                        |
| 0964 LAND ACQUISITION    |                        |                        |                        |                        |                        |                        |
| 0965 PROJECT EQUIPMENT   |                        |                        |                        |                        |                        |                        |
| 0966 PROJECT OVERHEAD    |                        |                        |                        |                        |                        |                        |
| 0967 CONST. CONTRACTS    | \$75,000               |                        |                        |                        |                        |                        |
| 0968 OTHER (SPECIFY)     |                        |                        |                        |                        |                        |                        |
| <b>TOTAL</b>             | <b>\$75,000</b>        |                        |                        |                        |                        |                        |

## LINE ITEM BREAKDOWN: FY 2008

## LAND ACQUISITION:

Appraisals \_\_\_\_\_  
 Engineering Survey \_\_\_\_\_  
 Legal/Deeds \_\_\_\_\_  
 Soils Analysis \_\_\_\_\_  
 Acquisition \_\_\_\_\_  
 Easements \_\_\_\_\_  
 Other \_\_\_\_\_

## CIP EQUIPMENT:

Equip. Lease/Main. \_\_\_\_\_  
 Equip. Purchase \_\_\_\_\_

## CIP OVERHEAD:

Office Sup./Exp. \_\_\_\_\_  
 Transportation \_\_\_\_\_  
 Occupancy \_\_\_\_\_  
 Communication \_\_\_\_\_  
 Other \_\_\_\_\_

## FUND SOURCES: FY2008

## Amount

\$75,000

## Source

City

## OPERATING EXPENSES/GENERATING REVENUES

IF ANY CIP PROJECT PROPOSED WILL HAVE OPERATING EXPENDITURE IMPACTS AND/OR HAS THE POSSIBILITY OF GENERATING ADDITIONAL REVENUE BEYOND THE PROJECT COMPLETION DATE, PLEASE NOTE THIS.

|                   | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|-------------------|------|------|------|------|------|------|
| OPERATING EXPENSE |      |      |      |      |      |      |
| REVENUE GENERATED |      |      |      |      |      |      |
| SOURCE            |      |      |      |      |      |      |

## NOTE:

IF THE GRANT YOU EXPECT TO RECEIVE IS A PASS THRU FROM THE FEDERAL GOVERNMENT TO THE STATE, PLEASE NOTE THIS.



**City of Manchester  
Department of Highways**

227 Maple Street  
Manchester, New Hampshire 03103-5596  
(603) 624-6444 Fax # (603) 624-6487

**Commission**

Edward J. Beleski  
- Chairman  
Joan Flurey  
William F. Houghton Jr.  
Robert R. Rivard  
William A. Varkas

Frank C. Thomas, P.E.  
Public Works Director

Kevin A. Sheppard, P.E.  
Deputy Public Works Director

April 23, 2007

C.I.P. Committee of the  
Honorable Board of Mayor and Aldermen  
C/O Mr. Leo Bernier  
CITY CLERKS OFFICE  
One City Hall Plaza  
Manchester, New Hampshire 03103

Re: Chronic Drain Program - Request for Funds  
Lebel Street Drain and Skyline Drive Drain

Gentlemen:

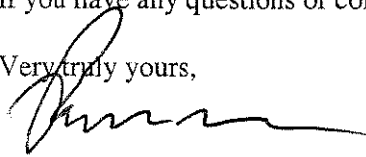
The Manchester Highway Department, on behalf of Alderman Betsi DeVries, hereby requests funds for the construction of drain lines on Lebel Street and Skyline Drive. Both projects would be completed as part of the City's Chronic Drain program:

| Project:      | Cost:    |
|---------------|----------|
| Lebel Street  | \$24,100 |
| Skyline Drive | \$38,000 |
| Total Cost:   | \$62,100 |

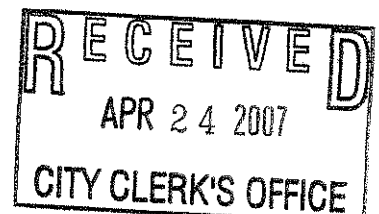
The total cost of the proposed work is approximately \$62,100. For your use, I have attached an estimates and sketches of each project.

If you have any questions or comments or if I can be of further assistance, please do not hesitate to call.

Very truly yours,

  
Bruce A. Thomas  
Engineering Manager

c/Frank C. Thomas, P.E.  
Kevin A. Sheppard, P.E.  
Samuel Maranto  
Alderman Betsi DeVries



14

# HIGHWAY DEPARTMENT ESTIMATE

Lebel Street Drain  
BAT April 23, 2007

| QUANTITY | UNITS | ITEMS | UNIT PRICE | TOTAL ITEM COST |
|----------|-------|-------|------------|-----------------|
|----------|-------|-------|------------|-----------------|

## ROADWAY MATERIALS

|    |     |                     |         |            |
|----|-----|---------------------|---------|------------|
| 14 | TON | 3/8" Wearing Course | \$40.00 | \$570.00   |
| 29 | TON | 3/8" Base Course    | \$40.00 | \$1,140.00 |
| 43 | TON | Crushed Gravel      | \$8.50  | \$363.38   |

**SUBTOTAL      \$2,073.38**

## DRAINAGE MATERIALS:

|     |     |                          |          |            |
|-----|-----|--------------------------|----------|------------|
| 3   | EA  | Type B Frames and Grates | \$172.23 | \$516.69   |
| 0   | EA  | Beehive Grate            | \$350.00 | \$0.00     |
| 0   | EA  | Manhole Frame and cover  | \$246.30 | \$0.00     |
| 3   | EA  | Round Slab Top 48"       | \$80.00  | \$240.00   |
| 18  | VF  | 48" Dia. Riser           | \$78.00  | \$1,404.00 |
| 3   | EA  | 48" Dia. Base            | \$192.00 | \$576.00   |
| 69  | TON | 3/4" Stone               | \$10.50  | \$729.17   |
| 150 | TON | Sand Fill                | \$5.30   | \$795.00   |
| 300 | LF  | 12" Dia. HDP Pipe        | \$4.31   | \$1,293.00 |

**SUBTOTAL:      \$5,553.86**

## MISCELLANEOUS MATERIALS:

|    |    |               |         |            |
|----|----|---------------|---------|------------|
| 30 | CY | Loam (4")     | \$10.50 | \$310.80   |
| 83 | CY | Ledge Removal | \$50.00 | \$4,166.67 |

**SUBTOTAL:      \$4,477.47**

|                         |            |
|-------------------------|------------|
| ROADWAY MATERIALS:      | \$2,073.38 |
| DRAINAGE MATERIALS:     | \$5,553.86 |
| MISCELLANEOUS MATERIALS | \$4,477.47 |

SUBTOTAL (MATERIALS):    \$12,104.70

ADD 15% (OF VALUE OF MATL.):    \$1,815.70

**TOTAL (MATERIALS AND SUBCONTRACTS):    \$13,920.40**

**USE:      \$14,000**

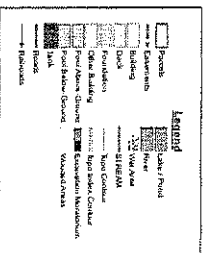
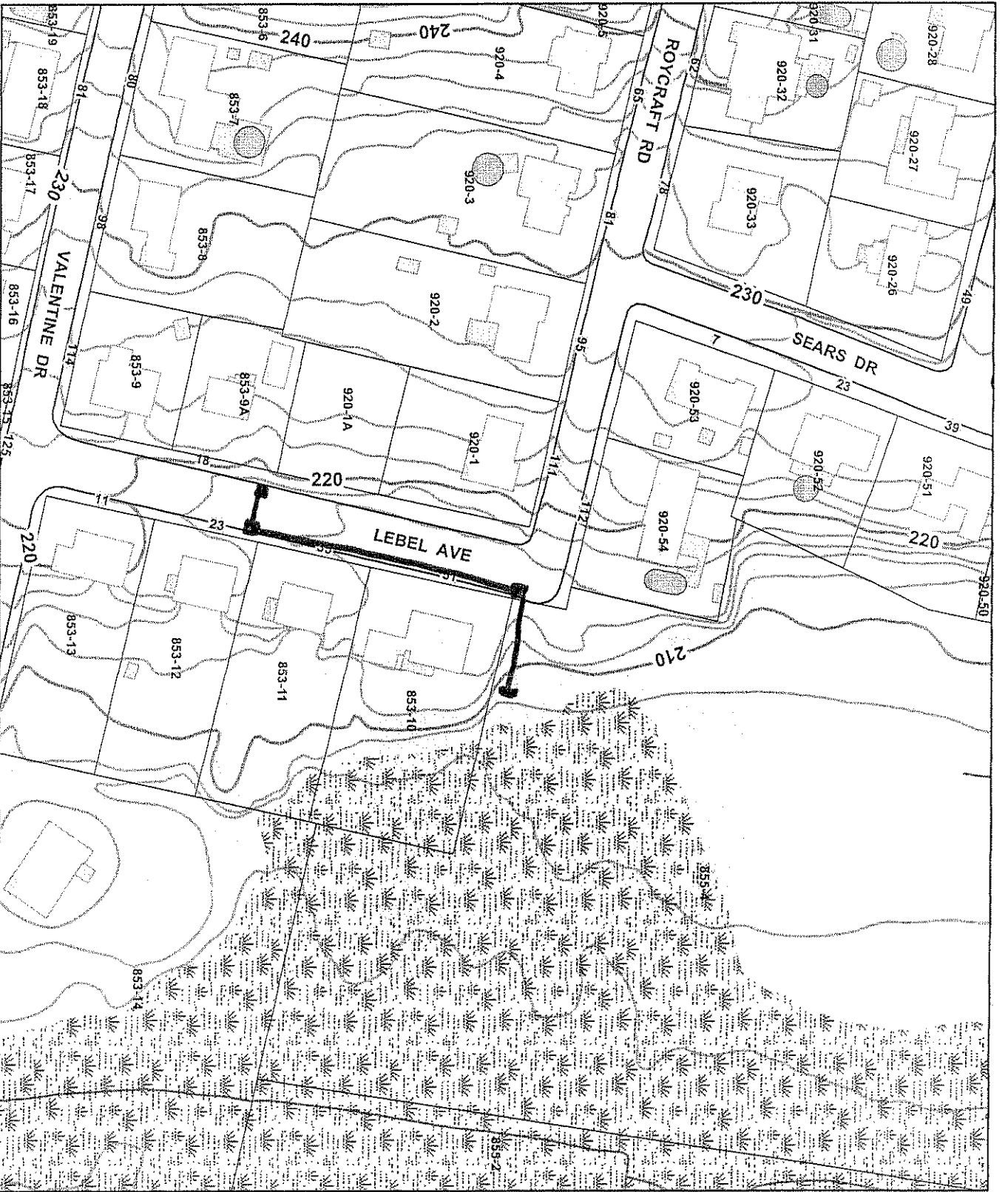
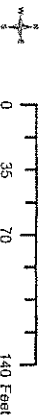
Other Costs:

|                |          |
|----------------|----------|
| Wetland Permit | \$100    |
| Easement       | \$10,000 |

**Total Cost:      \$24,100**

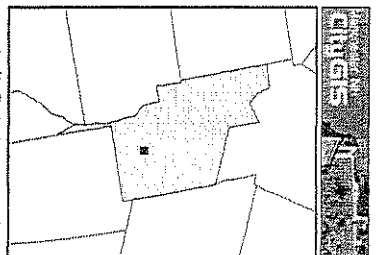
14





DISCLAIMER

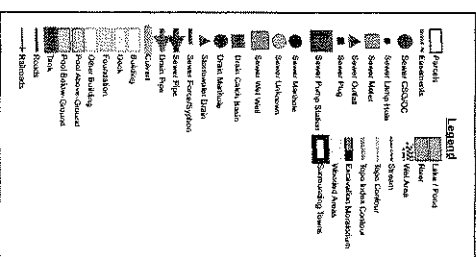
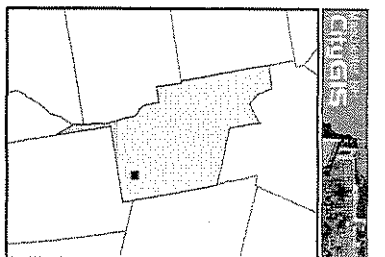
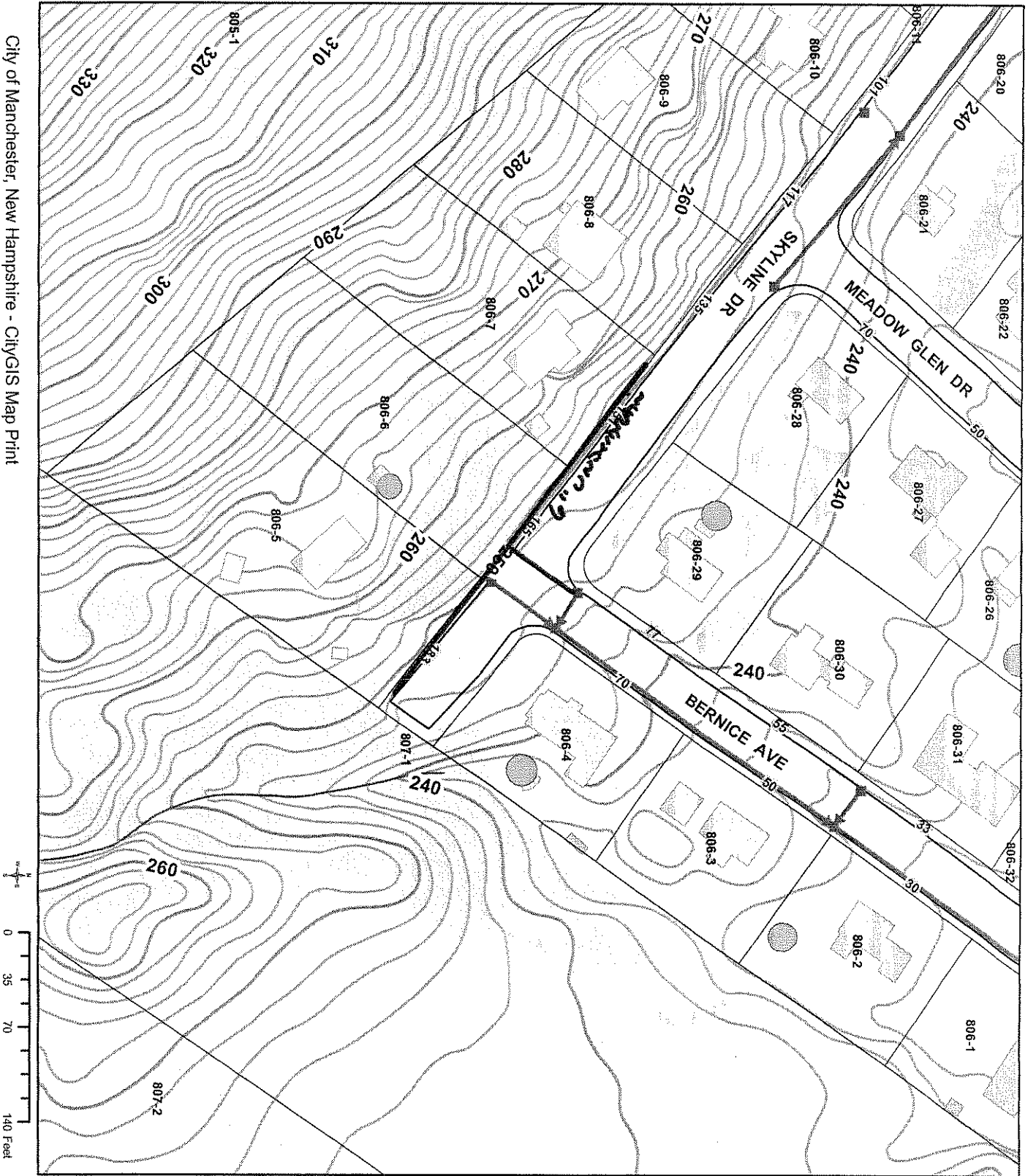
The information appearing on this map is for the convenience of the user and is not intended to be used as a legal document. All boundaries, easements, areas, measurements, rights of way, etc., appearing on this map should only be considered as approximate, and as such have no official or legal value. The City makes no representation or warranty as to the accuracy or completeness of the information for any particular use. The City assumes no liability whatsoever associated with the use or reuse of this information. The official public records from which this information was compiled are kept in the offices of various City, County, and State government agencies and departments, and are available for inspection and copying on a non-commercial basis. By using this map, you agree to these terms and conditions.



14

| ESTIMATE  |       |                          |                    |                    |
|---|-------|--------------------------|--------------------|--------------------|
| Skyline Drive Underdrain  |       |                          |                    |                    |
| DAA. April 23, 2007   |       |                          |                    |                    |
| <b>Project Description:</b> Underdrain from the dead end to about 100' west of Bernice Street. Under this estimate, the underdrain will be installed primarily along the back of the curb except where it will cross the street at Bernice. |       |                          |                    |                    |
| QUANTITY  | UNITS | ITEMS                    | UNIT PRICE         | TOTAL ITEM COST    |
| <b>ROADWAY MATERIALS</b>  |       |                          |                    |                    |
| 34  | TON   | 3/8" Wearing Course (1") | \$40.00            | \$1,359.13         |
| 68  | TON   | 3/8" Base Course (2")    | \$40.00            | \$2,718.27         |
| 492   | TON   | 18" RAP Base             | \$5.00             | \$2,458.96         |
| 0   | LF    | Straight granite curbing | \$12.00            | \$0.00             |
| <b>SUBTOTAL</b>   |       |                          |                    | <b>\$6,536.36</b>  |
| <b>DRAINAGE MATERIALS:</b>  |       |                          |                    |                    |
| 269   | TON   | 3/4" Stone               | \$10.75            | \$2,886.57         |
| 145   | TON   | Sand Fill                | \$5.30             | \$768.50           |
| 290   | LF    | 6" Dia. Perf PVC Pipe    | \$20.00            | \$5,800.00         |
| <b>SUBTOTAL:</b>  |       |                          |                    | <b>\$9,455.07</b>  |
| <b>MISCELLANEOUS MATERIALS:</b>   |       |                          |                    |                    |
| 24  | CY    | Loam (4")                | \$11.75            | \$287.22           |
| <b>SUBTOTAL:</b>  |       |                          |                    | <b>\$287.22</b>    |
| <b>CONTRACTS:</b>   |       |                          |                    |                    |
| 150   | CY    | Ledge Removal            | \$100.00           | \$15,000.00        |
| <b>SUBTOTAL:</b>  |       |                          |                    | <b>\$15,000.00</b> |
| ROADWAY MATERIALS:  |       |                          | \$6,536.36         |                    |
| DRAINAGE MATERIALS:   |       |                          | \$9,455.07         |                    |
| MISCELLANEOUS MATERIALS   |       |                          | \$287.22           |                    |
| CONTRACTS:  |       |                          | \$15,000.00        |                    |
| <b>SUBTOTAL:</b>  |       |                          | <b>\$31,278.65</b> |                    |
| ADD 15% CONTIGENCY:   |       |                          | \$4,691.80         |                    |
| <b>TOTAL (MATERIALS AND SUBCONTRACTS) INCLUDING ROCK EXCAV:</b>   |       |                          | <b>\$35,970.45</b> |                    |
| <b>TOTAL (MATERIALS AND SUBCONTRACTS) EXCLUDING ROCK EXCAV:</b>   |       |                          | <b>\$21,000.00</b> |                    |
| <b>USE:</b>   |       |                          | <b>\$38,000</b>    |                    |

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**DISCLAIMER**

The information appearing on this map is for the convenience of the user and is not an official public record of the City of Manchester, New Hampshire. This map is not survey-quality. All information is derived from various sources, including aerial photography, etc., appearing on this map should only be considered approximations, and as such have no official or legal value. The City makes no warranties, expressed or implied, concerning the accuracy, completeness, reliability, or suitability of the information for any particular use. The City is not responsible for any errors or omissions in the information. The official public records from which this information was compiled are kept in the offices of various City, County, and State government agencies and departments, and are available for inspection and copying during normal business hours. By using this map, you agree to these terms and conditions.

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Robert S. MacKenzie, AICP  
Director

# CITY OF MANCHESTER


## Planning and Community Development

Planning  
Community Improvement Program  
Growth Management



Staff to:  
Planning Board  
Heritage Commission  
Millyard Design Review Committee

Memo to: Committee on CIP

From: Robert S. MacKenzie 

Date: April 30, 2007, 2007

Subject: Karatzas Avenue (Stella Arms) Housing Project

At a previous Committee Meeting Staff were directed to review potential funding in the amount of \$500,000 for the Karatzas Avenue Housing Project. There is presently proposed as part of the 2008 CIP, a Housing Initiatives Project to be funded with a combination of CDBG, HOME and Affordable Housing Trust Funds that would be an appropriate source to use for this project. Should the Committee wish to recommend utilizing these funds Staff respectfully request that the funds be allocated in the form of a performing loan and not as a deferred loan or grant. The provision of assistance to this project in the form of a loan has been discussed with the developers of Stella Arms and they have indicated their ability to repay these funds as proposed.

15



**City of Manchester  
Department of Highways**

227 Maple Street  
Manchester, New Hampshire 03103-5596  
(603) 624-6444 Fax # (603) 624-6487

**Commission**

Edward J. Beleski  
- Chairman  
Joan Flurey  
William F. Houghton Jr.  
Robert R. Rivard  
William A. Varkas

Frank C. Thomas, P.E.  
Public Works Director

Kevin A. Sheppard, P.E.  
Deputy Public Works Director

April 17, 2007

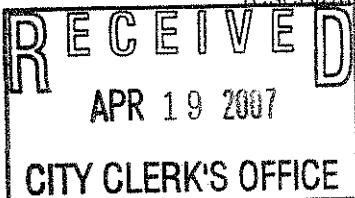
Community Improvement Committee of the Board of Mayor and Aldermen  
City Hall  
c/o Leo R. Bernier, City Clerk  
One City Hall Plaza  
Manchester, New Hampshire 03101

RE: PETITION FOR LAYOUT AND DISCONTINUANCE OF A PORTION OF ELM EAST  
BACK STREET, AKA MANHATTAN LANE, AKA HARRY THEO DRIVE

Dear Committee Members,

We have reviewed the referenced item and have found the following:

- **Elm East Back Street** was originally dedicated by plan of the Amoskeag Company as a 220' long by 20' wide passageway. The date of that plan is unknown but it appears to be earlier than 1893.
- No acceptance of that dedication or return of layout for **Elm East Back Street** was found in the records of the City Clerk.
- However, it appears the street has public status by implied acceptance by the City and/or prescriptive use by the public.
- The portion of this street north of Cedar Street was also not accepted or laid out by the City. However, the Board of Mayor and Aldermen discontinued that section in August of 1961.
- The Highway Department maintains this section of street.
- The records of the Highway Department indicate a City sewer pipe lies in the southerly portion of the street. At a minimum, these pipes require a reservation of easement rights to the City, although the Highway Department prefers a reservation of a utility easement over the length of the discontinued street.



16

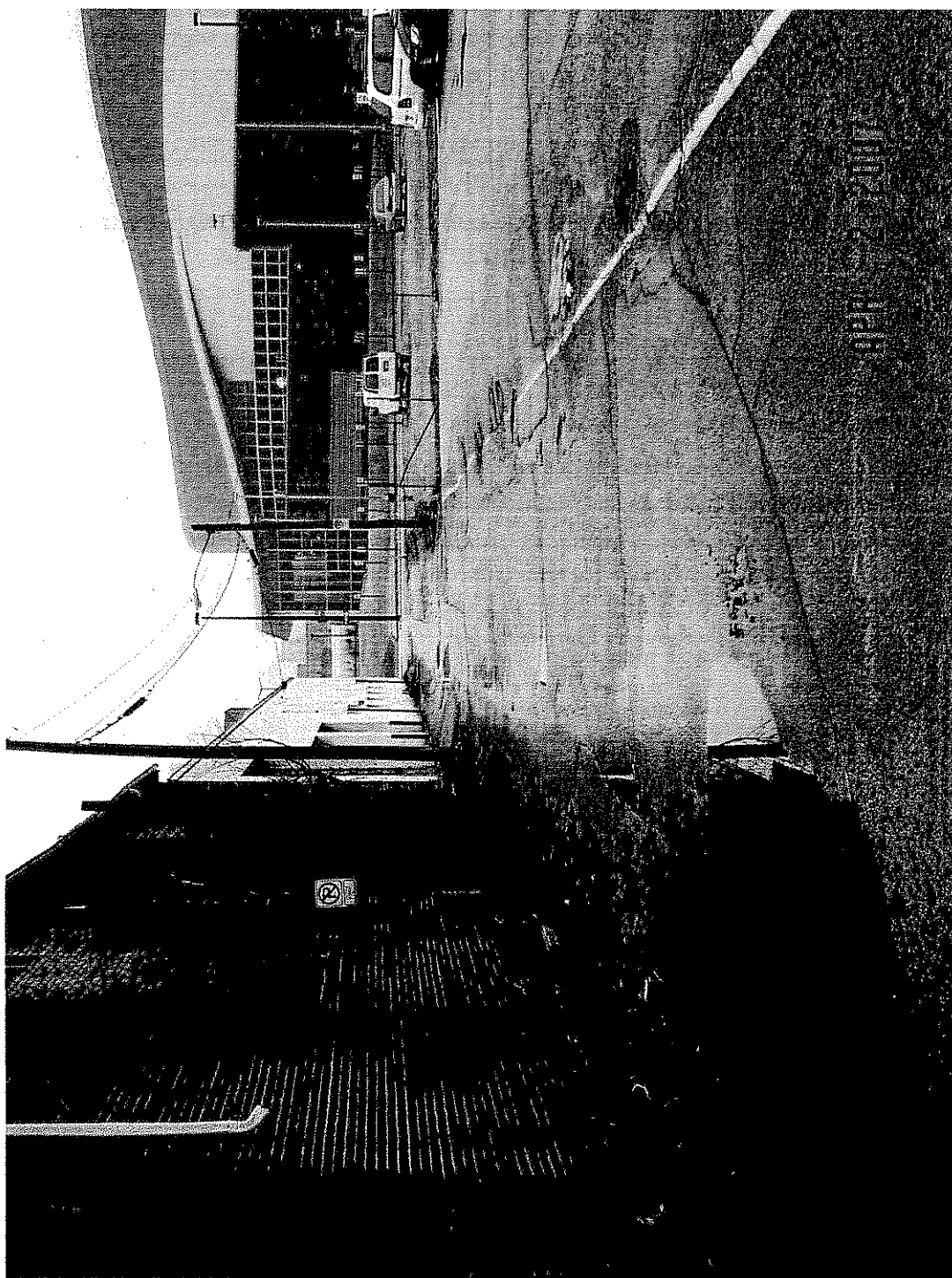
The Highway Department supports the discontinuance of **Elm East Back Street- Harry Theo Drive** subject to a reservation of a utility easement and provided all the abutters are in favor of the discontinuance.

Sincerely,

A handwritten signature in cursive script that reads "Frank Thomas".

Frank Thomas, P.E.  
Public works director

MJM  
CC: file



16

**To the Honorable Board of Mayor and Alderman of the  
City of Manchester:**

**PETITION TO DISCONTINUE  
ELM ST. EAST BACK/HARRY THEO DRIVE**

The Undersigned, Michael Kapos for Michael's School of Hair Design, respectfully represent that for the accommodation of the public there is occasion for discontinuing a highway known as Elm St. East Back (recently renamed; Harry Theo Drive) in Manchester, New Hampshire located between Cedar and Auburn St just off Elm St.

Discontinuance of this highway will require a utility easement for the servicing of the 24" public sewer line that is in the southerly half of the highway extending from Auburn St.

Now therefore, the undersigned hereby respectfully request you to discontinue the above-described portion of Elm St. East Back/Harry Theo Dr..

Dated this day 22<sup>nd</sup> day of March 2007.

By:   
Michael Kapos – Owner 533 Elm St.



**Cliff Harris**

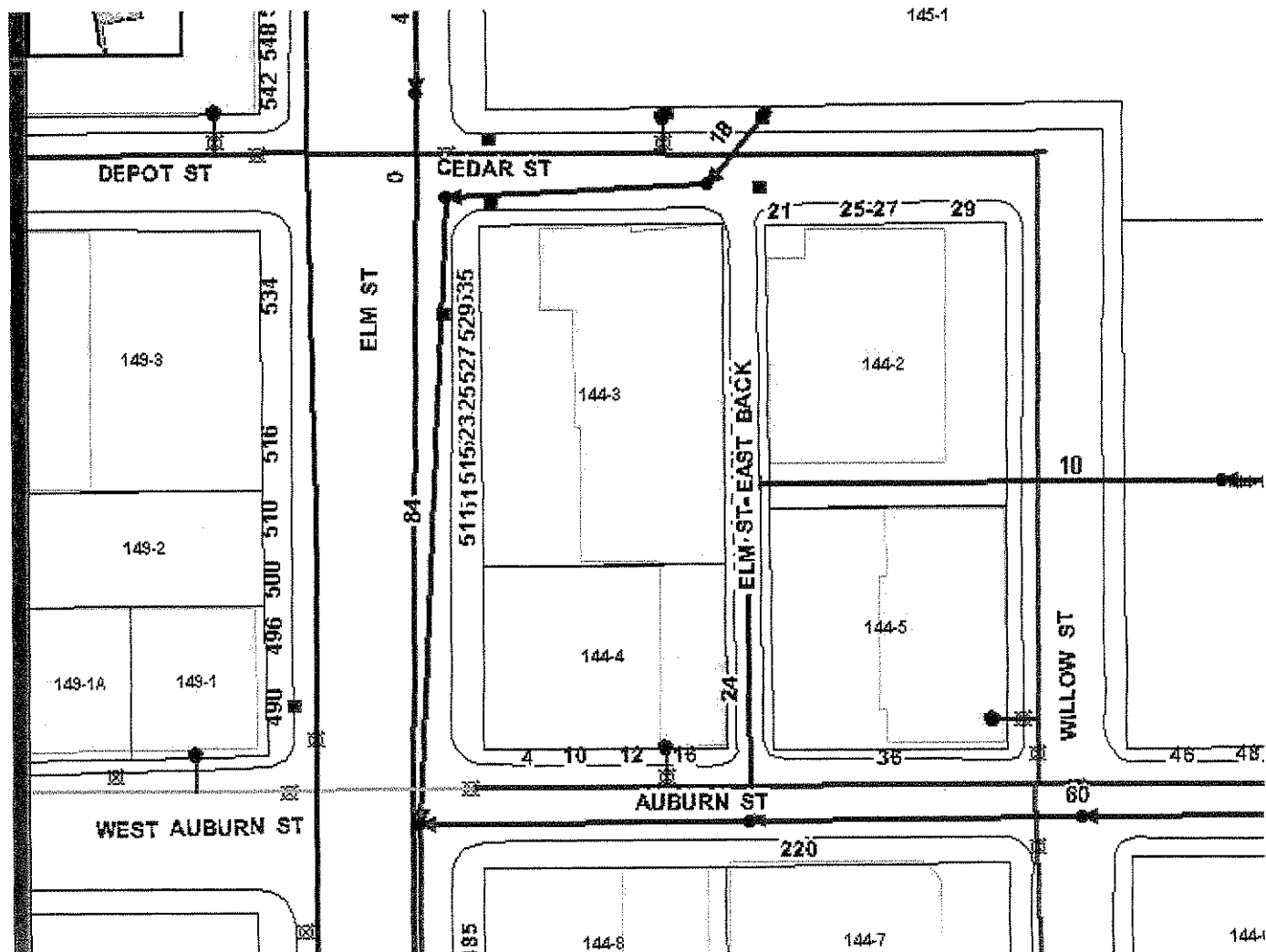
**From:** MICCIO, Martin [MMICCIO@manchesternh.gov]  
**Sent:** Wednesday, December 06, 2006 4:04 PM  
**To:** charris@pruverani.com  
**Subject:** FW: Discontinuance example

Email sent August 10, 2006

**From:** MICCIO, Martin  
**Sent:** Thursday, August 10, 2006 4:16 PM  
**To:** 'Cliff Harris (charris@pruverani.com)'  
**Subject:** Discontinuance example

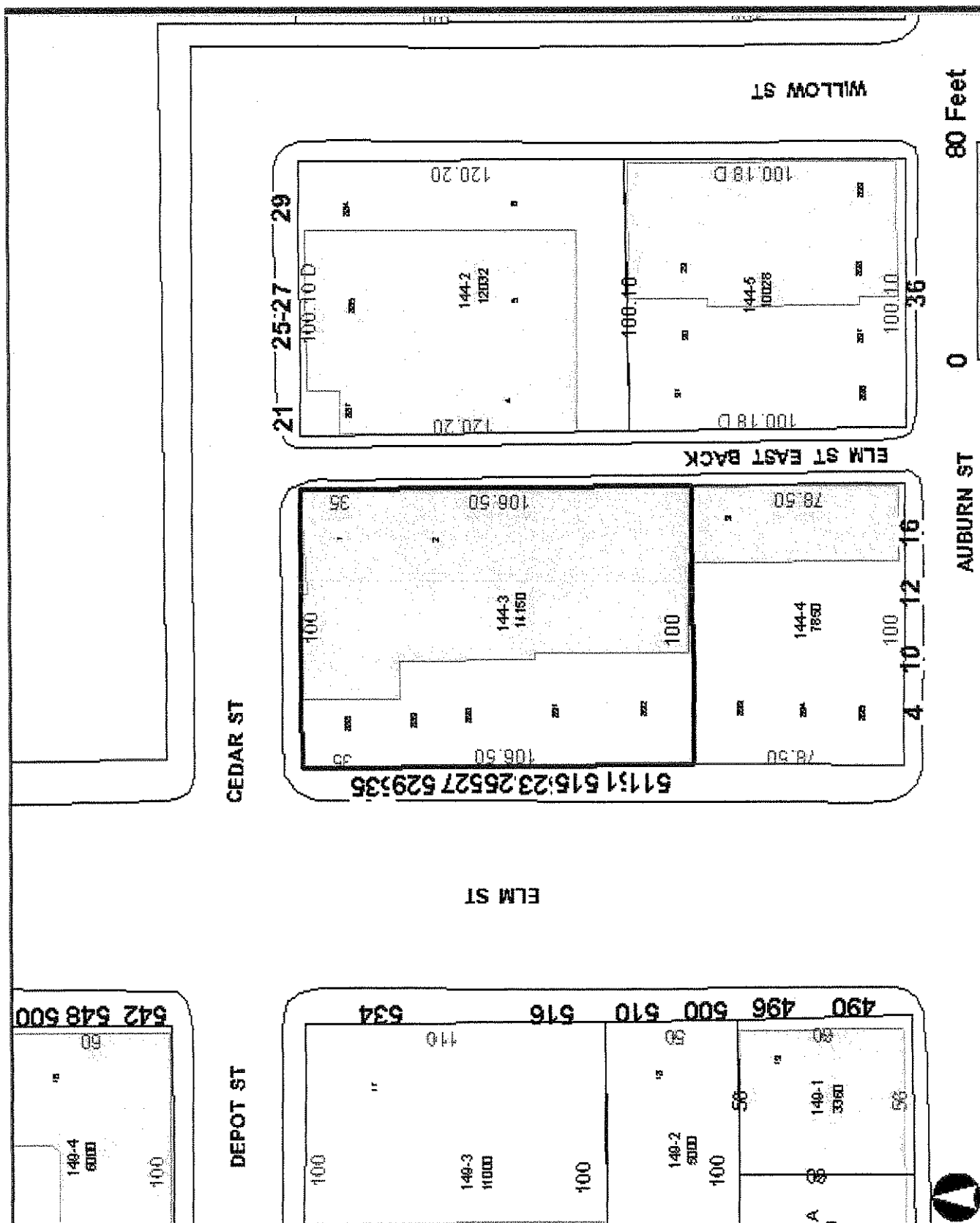
I believe that Elm East Back Street was the subject of a name change to Manhattan Lane (Alley from Cedar St to Auburn St between Elm St and Willow St). However I do not have a reference of that record; possibly the City Clerk can locate that record. Certainly that would be evidence of it's public status. Additionally the City prepared a grade sheet for the alley in 1931.

There appears to be a 24" public sewer in the southerly half of the alley and any discontinuance would require an easement reservation.



12/7/2006

16



16

# The Granite State Fruit Co., Inc.

ESTABLISHED OCTOBER 5, 1935

30 AUBURN STREET, MANCHESTER, NH 03103

TELEPHONE: 603-627-4131 FACSIMILE: 603-627-0480

April 18, 2007

City Clerk's Office  
One City Hall Plaza  
Manchester, NH 03101

RE: Street Discontinuance

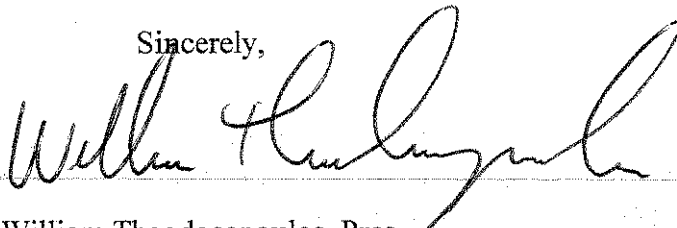
To Whom It May Concern:

In recent conversations with Manchester Highway Department officials, I learned that a request has been made by Michael Kapos that the City discontinue use of "Harry Theo Lane," formerly known as either Manhattan Lane or Elm Street Back Alley East. This section of alley runs between Auburn and Cedar streets about 100 feet east of Elm.

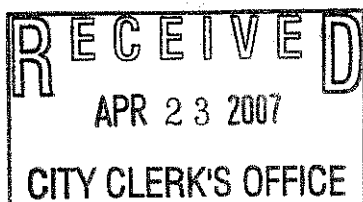
Should this request be granted, future tractor-trailer deliveries to my business would be impossible, dealing Granite State Fruit a crippling, possibly fatal blow. Currently these trucks enter my lot via Auburn Street and exit via the alley to Cedar Street where access to Willow Street and surrounding roadways is easy, straightforward, safe and convenient. Without use of the alley, big rigs would be forced to exit my lot by backing a 22 foot tractor with an attached 53 foot trailer out into traffic on Auburn...an extremely hazardous maneuver that all of my suppliers that I have spoken with refuse to attempt owing to the risk and liability.

I understand that the customary process for handling discontinuance requests includes a formal hearing where abutters may voice their opinions. I would appreciate being notified of this hearing. Thank you.

Sincerely,



William Theodosopoulos, Pres.  
Granite State Fruit Company, Inc.



16



**City of Manchester  
Department of Highways**

227 Maple Street  
Manchester, New Hampshire 03103-5596  
(603) 624-6444 Fax # (603) 624-6487

**Commission**

Edward J. Beleski  
- Chairman  
Joan Flurey  
William F. Houghton Jr.  
Robert R. Rivard  
William A. Varkas

Frank C. Thomas, P.E.  
Public Works Director

Kevin A. Sheppard, P.E.  
Deputy Public Works Director

April 27, 2007

Community Improvement Committee of the Board of Mayor and Aldermen  
c/o Leo R. Bernier, City Clerk  
One City Hall Plaza  
Manchester, New Hampshire 03101

RE: PETITION TO DISCONTINUE TWO UNNAMED STREETS

Dear Committee:

We have reviewed the referenced item and have found the following:

- This portion of Litchfield Lane appears to have been originally laid out by the Amoskeag Company as a 20' back street and accepted by the City August 25, 1852 and recorded in Highways Streets and Bridges book 1 page 63.
- An unrecorded plan referenced in the deeds in this area was located at the office of Manchester Housing Authority. The plan is entitled "Disposition Map Spruce Street Project, Manchester Housing Authority" and dated April 20, 1960. The plan shows the back street widened to 30' with the 10' taken from the parcels on the south side of the back street
- There are sewers of record within this portion of Litchfield Lane.

The Highway Department supports these petitions for discontinuance if an easement is reserved across the former back street for existing and future utilities.

Sincerely,

Frank Thomas, P.E.  
Public Works Director

MJM  
cc: File

*To the Honorable Board of Mayor and Aldermen of the  
City of Manchester:*

*The Undersigned respectfully represent that for the accommodation of the  
public there is occasion for discontinuing a highway.*

Beginning at a point in the northerly line of the back street known as Litchfield Lane, formerly known as Central South Back Street, said point being 140.1' west of the westerly line of Chestnut Street; thence, southerly 30.0' to the southerly line of Litchfield Lane; thence, westerly 225.2' by the southerly line of Litchfield Lane; thence, northerly 30.0' to a point in the northerly line of Litchfield Lane, said point being 75.1' east of the east line of Elm East Back Street. Thence, easterly 250.2' by the northerly line of Litchfield Lane to the point of beginning.

Excepting and reserving a utility easement to the City of Manchester over the area described for all existing and future utility lines and pipes deemed necessary.

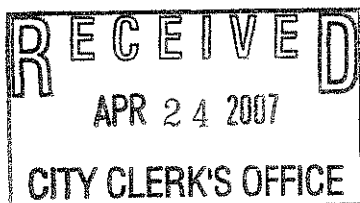
The back street was laid out as a 20' wide street by the Board of Mayor and Aldermen on August 25, 1852 and the action recorded in Highways, Streets and Bridges Book 1, Page 63 at the Office of the City Clerk. The street was then widened to 30' by plan entitled "Disposition Map Spruce Street Project, Manchester Housing Authority" dated April 20, 1960. The 10' strip was taken from the parcels on the southerly side of the street. No formal acceptance of that widening dedication was found.

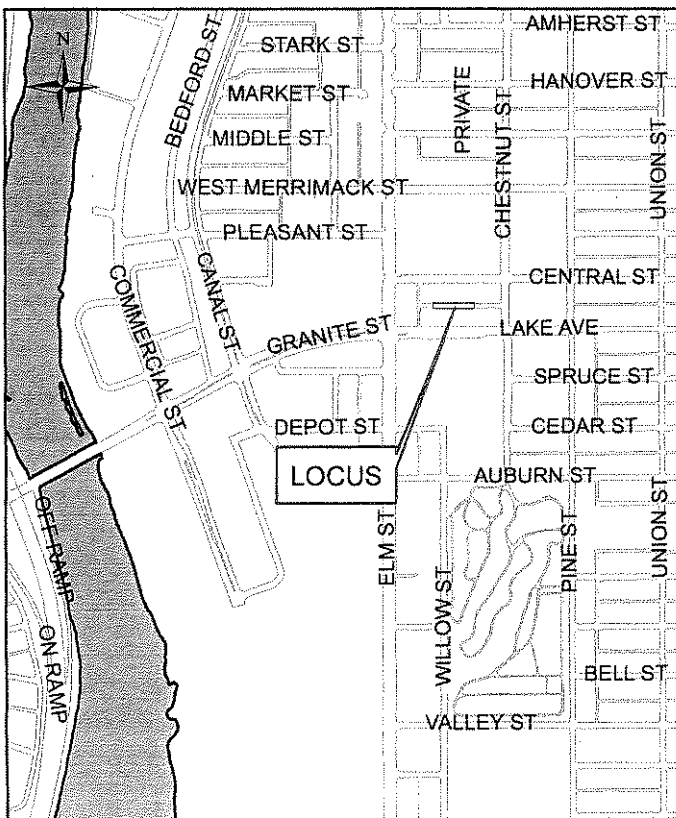
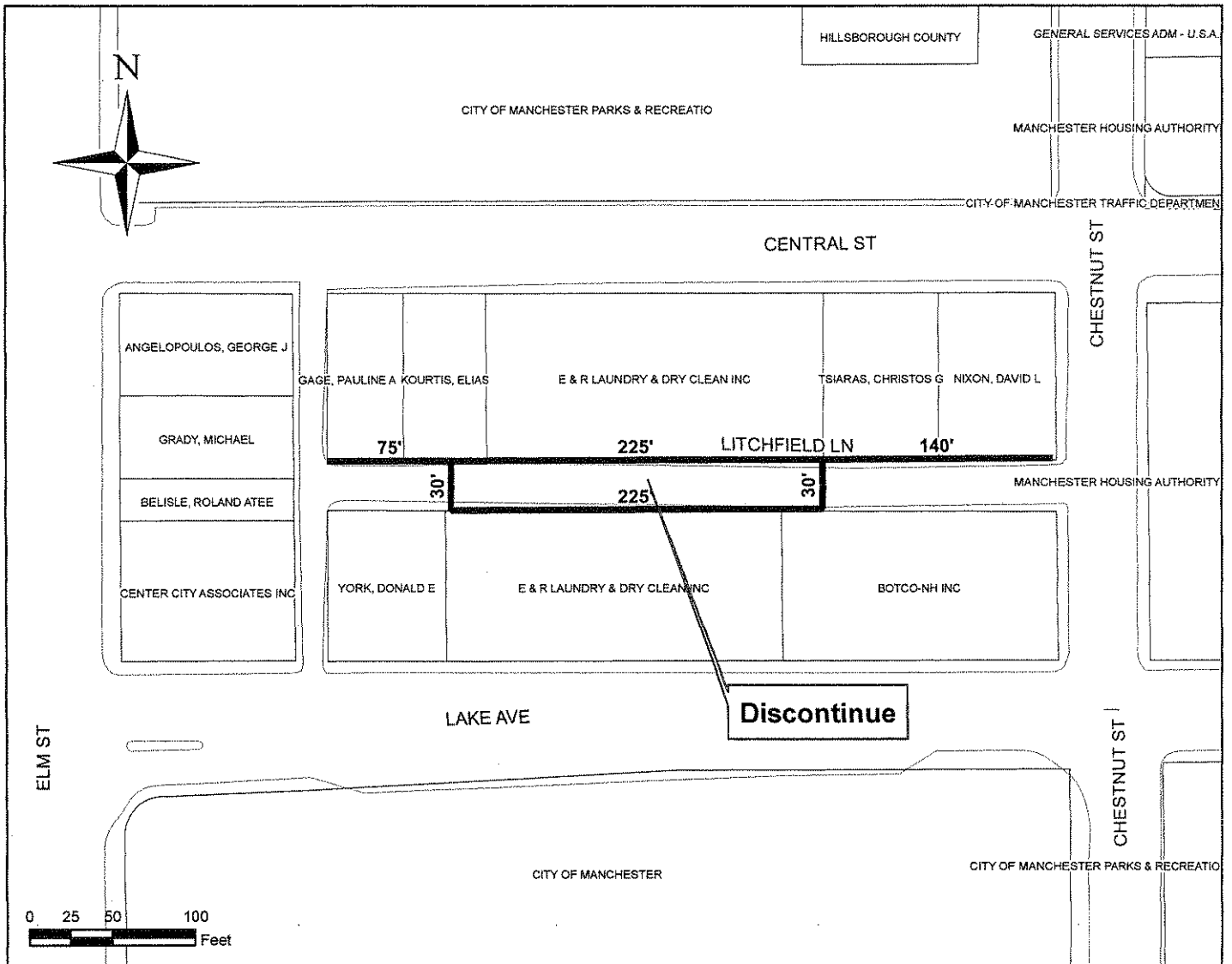
He, therefore, requests you to discontinue the above-described portion of Litchfield Lane.

Dated at the City of Manchester, New Hampshire this 24 day of April 2007.

By: 

RICHARD BOTNICK, TREAS.  
BOTNICK 5 VENTURES, INC.





## Proposed Street Discontinuance Litchfield Lane



Manchester, NH

April 20, 2007

17

7-11-06 Tabled  
8-14-06 Reconsidered  
Tabled  
10-23-06 Retabled

## MEMORANDUM

**TO:** CIP Committee

Michael Garrity, Chairman  
Daniel P. O'Neil  
Ed Osborne  
Theodore L. Gatsas  
Jerome Duval

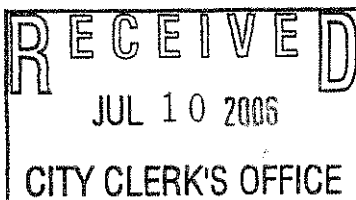
**FROM:** Paul J. Borek  
Economic Development Director

**DATE:** July 10, 2006

**SUBJECT:** Discontinuance of South Bedford Street, South of Depot Street

This is to transmit a request to discontinue the remaining portion of South Bedford Street, south of Depot Street. This request is being made to accommodate valet parking for the proposed Riverfront Project, Boneyards Restaurant, proposed by Robert O'Sullivan. Access to a site for parking is required by the developer's financial institution. The availability of valet parking on this portion of South Bedford Street will fulfill this requirement.

If discontinued, Mr. O'Sullivan has proposed leasing this site from the city for valet parking service. An easement would be maintained to serve the access needs of adjacent property owners.



18

A PETITION TO DISCONTINUE A PORTION OF SOUTH BEDFORD STREET

The undersigned, Paul J. Bork, MEDO, respectfully represents that for the accommodation of the public, there is occasion for discontinuing a portion of a certain highway known as South Bedford Street in Manchester, New Hampshire as shown on a plan entitled "Manchester Millyard Housing Authority N.H. R-7 Amoskeag Millyard Project Proposed Resubdivision & Disposition Plan of Parcels 14, 1-5, 1-6 & 1-16" dated November 16, 1975 with revisions by Thomas F. Moran, Inc. and recorded at the Hillsborough County Registry of Deeds as plan 10240. The lay out of the full length of the highway is recorded in book 17 at page 90 of the records of the Highways, Streets and Bridges of the City Clerk of the City of Manchester.

NOW THEREFORE, the undersigned hereby respectfully requests you to discontinue above-described portion of South Bedford Street, and that is henceforth not be utilized for public rights.

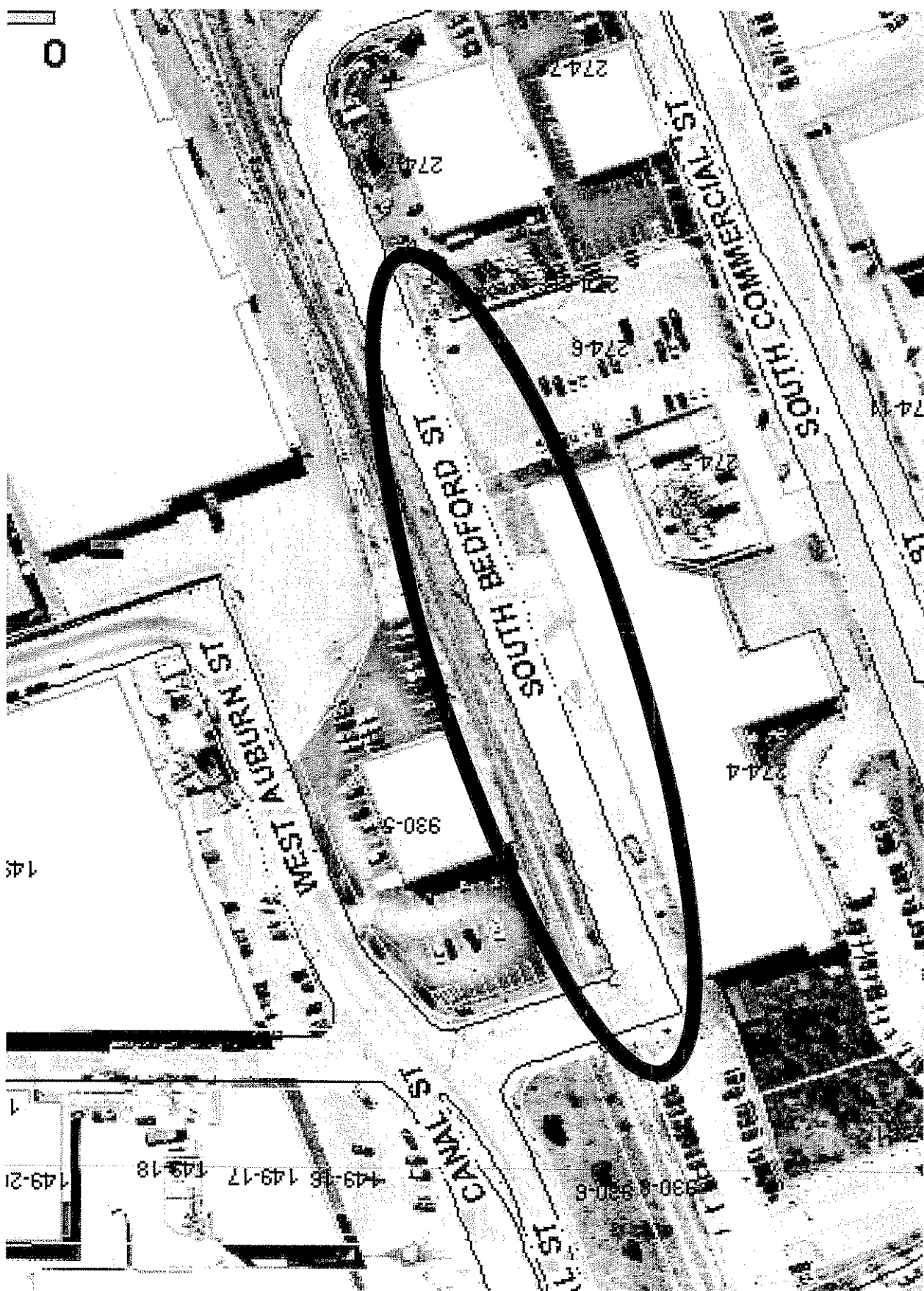
DATED this 10 th day of July, 2006.

**A Legal Description of the portion of South Bedford Street to be discontinued by this petition.**

The remaining portion of South Bedford Street, between the southerly line of parcel 1-16.9 of said plan and an easterly extension of the line between parcel 1-4 and 1-5 of said plan, in the City of Manchester, County of Hillsborough, State of New Hampshire, more particularly bounded and described as follows:

Beginning at the northwest corner of South Bedford Street; thence, N70°10'10"E 48.57' by the southerly line of parcel 1-16.9 to the easterly line of South Bedford Street; thence, S20°02'40"E by the easterly line of said street 600.37' to the terminus of the formerly discontinued portion of the street; thence, S 69° 57' 20"W 48.57' by the discontinued portion of the street to the westerly line of said street; thence, N20°02'40"W 600.34' along the westerly line of the said street to the point of beginning.





18



**City of Manchester  
Department of Highways**

227 Maple Street  
Manchester, New Hampshire 03103-5596  
(603) 624-6444 Fax # (603) 624-6487

**Commission**

Edward J. Beleski  
- Chairman  
Joan Flurey  
William F. Houghton Jr.  
Robert R. Rivard  
William A. Varkas

Frank C. Thomas, P.E.  
Public Works Director

Kevin A. Sheppard, P.E.  
Deputy Public Works Director

July 10, 2006

Community Improvement Committee of the Board of Mayor and Aldermen  
City Hall  
c/o Leo R. Bernier, City Clerk  
One City Hall Plaza  
Manchester, New Hampshire 03101

RE: Discontinuance of a portion of South Bedford Street

Dear Committee Members,

We have reviewed the referenced item and have found the following:

The current location of South Bedford Street was one of the streets listed in "Dedication of Street Amoskeag Millyard Urban Renewal Project" by Manchester Housing Authority dated January 23, 1980 and was accepted by the Board of Mayor and Aldermen. Being an accepted City Street the discontinuance needs a public road hearing with abutter notification.

The Highway Department supports the discontinuance petition in conjunction with the proposed Riverfront Development Project.

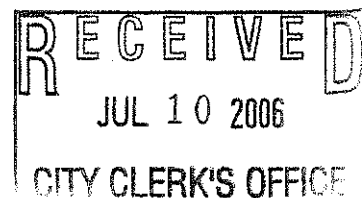
Sincerely,

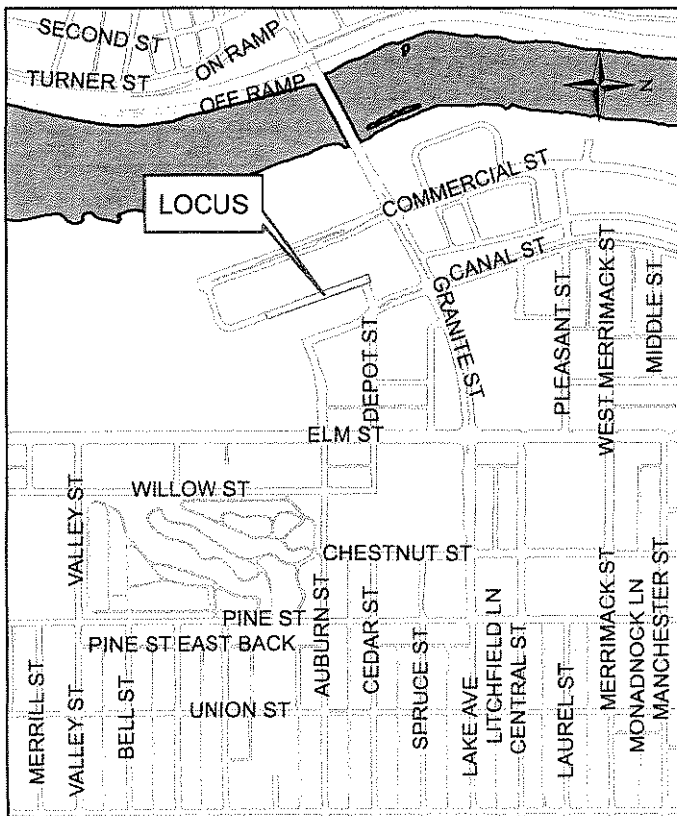
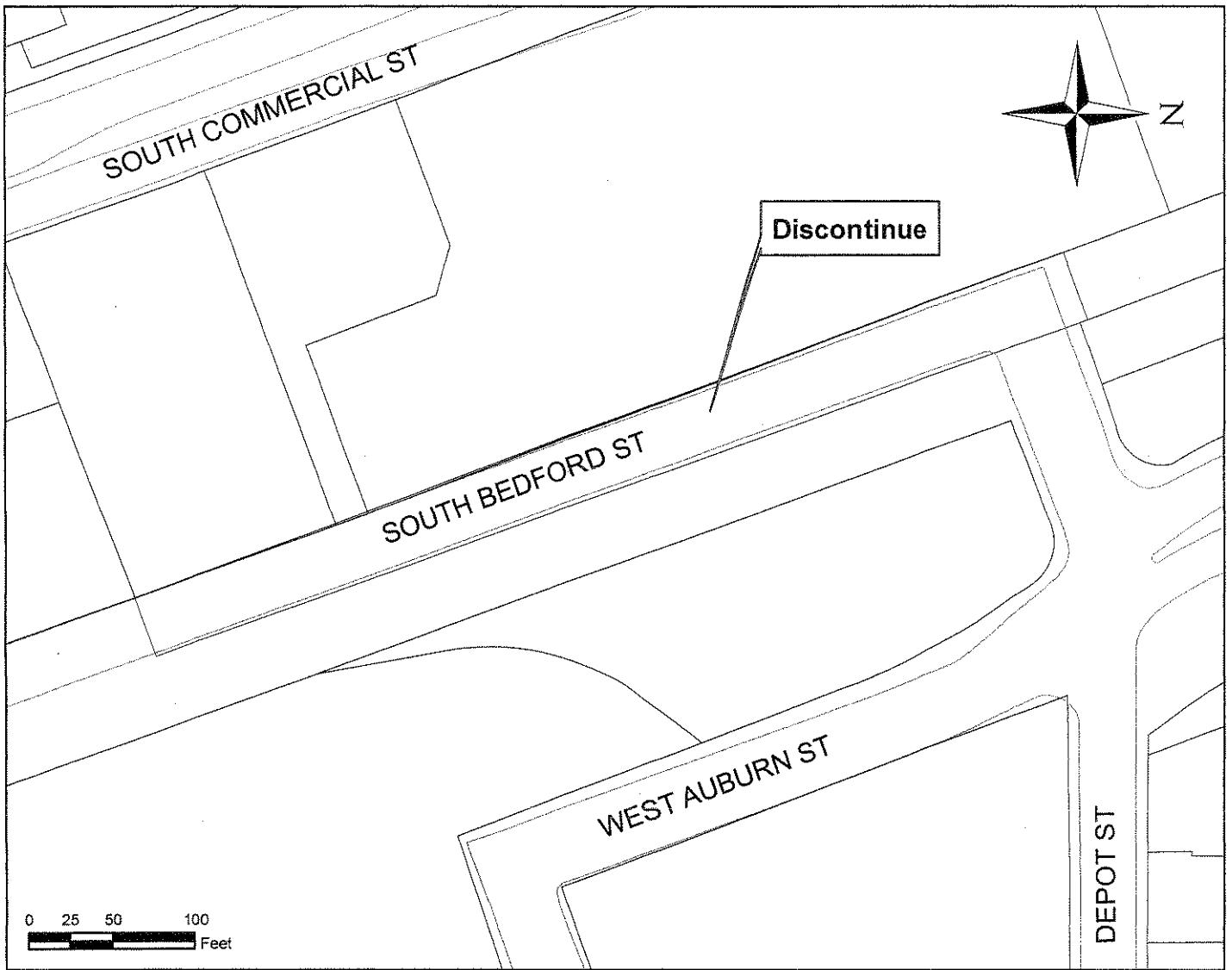
Frank Thomas, P.E.  
Public Works Director

MJM

cc: File

cc: Paul Borek





Proposed Street Discontinuance  
**South Bedford Street**



Manchester, NH  
 February 13, 2006

18

Mayor Guinta called the meeting back to order.

**OTHER BUSINESS**

16. A report of the Committee on Finance was presented recommending that Resolutions:

“Amending the FY2003 and 2007 Community Improvement Programs, transferring, authorizing and appropriating funds in the amount of Four Thousand Dollars (\$4,000.00) for the 2007 CIP 412007 Police Substation – Eastside Project.”

“Authorizing the Finance Officer to effect a transfer of Four Thousand Dollars (\$4,000) for the 2007 CIP 412007 Police Substation – Eastside Project.”

ought to pass and be Enrolled.

Alderman Garrity moved to accept, receive and adopt the report of the Committee on Finance. Alderman DeVries duly seconded the motion. The motion carried with Alderman Gatsas duly recorded in opposition.

17. Report of the Committee on Community Improvement relative to a petition for discontinuance of a portion of So. Bedford Street, if available.

Deputy Clerk Kang advised that the petition for discontinuance of a portion of So. Bedford Street was tabled in Committee this evening, therefore, there was no report. However, there are two other reports to be presented at this time.

Alderman Duval moved to refer the matter pertaining to So. Bedford Street to the Special Committee on Riverfront Activities. Alderman Lopez duly seconded the motion.

Mayor Guinta stated I'm having a hard time trying to remember where you are.

18

Mayor Guinta called for a vote on the motion. There being none opposed, the motion passed.

Alderman Duval moved that any department heads remaining in this building as of this morning who does not have any items left on the agenda may be allowed to leave. Alderman Osborne duly seconded the motion. There being none opposed, the motion carried.

A report of the Committee on Community Improvement was presented advising that it has approved the allocation of FY2007 Motorized Equipment Replacement (MER) funds, as enclosed herein.  
*(Unanimous vote)*

A second report of the Committee on Community Improvement was presented recommending that the Parks, Recreation and Cemetery Department be authorized to enter into an agreement with the West Jr. Deb Softball League providing them with \$75,000 to procure lighting and other desired field improvements negotiated with private contractors by the league, subject to the review and approval of the City Solicitor.

The Committee notes that the Parks Department will oversee all improvements ensuring standards and specifications are appropriate; and, further that the agreement is consistent with city procedures which allows for the desired improvements by the softball league.  
*(Unanimous vote)*

18. Report of the Committee on Lands and Buildings relative to the Ash Street School, if available.
19. State Legislative update presented by Mayor Guinta, if available.

18

8-14-06 Tabled  
10-23-06 Remained  
Tabled



**City of Manchester  
Department of Finance**

One City Hall Plaza  
Manchester, New Hampshire 03101  
Phone: (603) 624-6460  
Fax: (603) 624-6549

August 9, 2006


Alderman Michael Garrity  
C/O Mr. Leo Bernier  
City Clerk  
One City Hall Plaza  
Manchester, NH 03101

Dear Alderman Garrity,

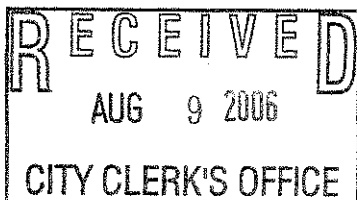
Attached is a copy of correspondence from Lowell Terrace Associates proposing a mortgage/debt consolidation for the property on the northwest corner of Lowell and Chestnut Streets. This is the item that I spoke to you about last week. With your permission, I would like to have the item discussed at the next CIP Committee meeting.

The proposal from the partnership has already been reviewed by the City Solicitor, Economic Development Director, and the Mayor's Office. Please feel free to contact me with any questions.

Sincerely,

  
Kevin A. Clougherty  
Finance Officer

C: Thomas Clark  
Paul Borek  
Randy Sherman  
Mayor Frank Guinta  
Ken Edwards, MHRA  
Peter Morgan, Property Services  
Tom Musgrave, William Steele Associates



19-1

WILLIAM STEELE & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

40 STARK STREET

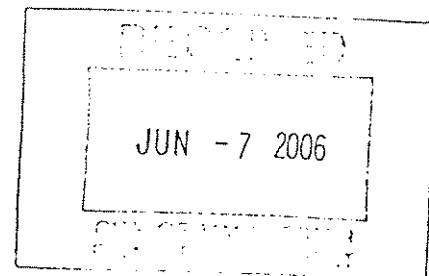
MANCHESTER, NEW HAMPSHIRE 03101

OFFICE 603-622-8881

FAX 603-647-4520

June 6, 2006

Mr. Kevin Clougherty, Finance Director  
City of Manchester  
One City Hall Plaza East  
Manchester, NH 03101



RE: Lowell Terrace Associates

Dear Kevin:

Thank you for arranging the meeting on May 4, 2006. The meeting and subsequent telephone call the week of the 22<sup>nd</sup> was helpful. I believe we have reached some meaningful preliminary agreements concerning the terms of the original Promissory Note (Note) and subsequent amendment and modifications that will allow us to resolve the remaining issues to our mutual satisfaction.

Based on our discussions, it is my understanding that Lowell Terrace Associates (LTA) and the Manchester Housing Authority (City) agree on the following.

First, the \$1,250,000 portion of the Note is not due at this time. LTA and the City agree that the 1994 Promissory Note Amendment and subsequent modifications have extended the due date of the \$1,250,000 portion of the Note to July 1, 2013. The principal balance outstanding on this portion of the loan was \$559,811 as of December 31, 2005. Based on continuing monthly payments of \$6,885.71, this portion of the loan will be paid in full on July 1, 2013.

Second, the \$250,000 portion of the Note is due. As you know, this \$250,000 portion of the original loan has all of the characteristics of a fifty percent (50%) equity interest in the partnership. These characteristics will be described in more detail in the paragraphs that follow. The City has asked LTA to make a proposal concerning the amount of the pay off.

LTA is prepared to make the City an offer to settle the \$250,000 portion of the original loan and, once the City has reviewed and accepted the proposal, LTA will immediately seek replacement financing to pay off the City.

The original Note terms relating to the \$250,000 portion of the loan have all of the characteristics of a 50% equity interest in the partnership. Section 4 of the Note contains these provisions.

Section 4.a) of the Note describes LTA's obligation to pay interest to the City equal to 50% of the project's cash flow. In this regard, whenever LTA has made cash distributions of accumulated cash flow to its partners, a corresponding and equal cash payment has been made to the City. In connection with its settlement proposal, LTA is prepared to pay to the City 50% of the cash in its accounts, excluding cash held by LTA representing tenant deposits.

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Mr. Kevin Clougherty, Finance Director  
June 6, 2006  
Page 2

Section 4.b) of the Note describes LTA's obligation on the twentieth anniversary date of the loan. There has been some disagreement and or misunderstanding concerning this particular provision of the loan. The City, as I understand it, feels that it would be inappropriate to reduce its entitlement under Section 4.b) of the Note by the balance outstanding on the \$1,250,000 portion of the loan. LTA maintains that the balance outstanding on the \$1,250,000 portion of the loan must be taken into account when calculating the City's entitlement. If the outstanding balance on the \$1,250,000 portion of the loan were not taken into account, the City would receive a payment exceeding the value of its 50% equity interest in the project.

Neither party expected an outstanding balance on the \$1,250,000 portion of the loan when the balloon payment due date provision for the \$250,000 portion of the loan was drafted in 1984. However, due to economic circumstances beyond the control of LTA and the City, the project was not able to service its debt and fell behind on its property taxes. Rather than assert its rights as a lien holder entitled to the delinquent property taxes, or assert its rights as the holder of the Note (which was headed into default), the City agreed to certain modifications of the Note in lieu of initiating action to take possession of the partnership's property. I submit to you that the City's actions were well reasoned and were motivated, in principal part, by the desire to protect its right to repayment of the entire outstanding balance of the loan (a balance exceeding \$1,217,000 at the time). It is not inconceivable that the City could have lost hundreds of thousands of dollars had it chosen to take possession of the property in 1994. Instead, the City acted in a manner that was both prudent and in its best interests as a lender and owner of 50% of the partnership equity. The City's actions also allowed the partners of LTA an opportunity to salvage their own 50% equity interest.

In LTA's opinion, the City's balloon payment entitlement on the \$250,000 portion of the original Note must take into account the balance outstanding on the \$1,250,000 portion of the Note. If the City's entitlement were calculated in any other manner, it would contradict the business deal between LTA and the City wherein the City was awarded a 50% equity interest in the project for its \$250,000 loan.

LTA's proposal to pay off the \$250,000 portion of the loan has been determined by treating the City as a 50% equity owner in the partnership. More specifically, the attached calculations estimate the City's balloon payment entitlement under Section 4.b) of the Note by projecting the net cash proceeds available to the partnership assuming a hypothetical sale of the property on August 1, 2006, followed by a distribution of the partnership's net assets in liquidation of the partnership.

The following assumptions are integral parts of the attached calculations.

1. The market value of the property is equal to its assessed value of \$1,255,800.
2. The outstanding principal balance on the \$1,250,000 portion of the loan is \$515,536 on August 1, 2006.

19-3



Mr. Kevin Clougherty, Finance Director  
June 6, 2006  
Page 3

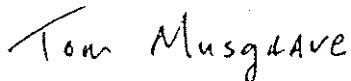
3. A 4% commission would be paid to a third-party broker to facilitate the sale.
4. A New Hampshire real estate transfer tax equal to .75% of the market value would be payable.
5. A New Hampshire Business Profits Tax equal to 8.5% of the gain recognized on sale would be payable.
6. There will be approximately \$150,000 of cash or marketable securities in the partnership's accounts on August 1, 2006.

Based upon the assumptions listed above, LTA estimates the City's entitlement on the \$250,000 portion of the original loan to be \$367,065.

After you have had an opportunity to review this proposal and discuss it with other interested parties, please call me and let me know how you would like to proceed.

Very truly yours,

WILLIAM STEELE & ASSOCIATES, P.C.



Thomas W. Musgrave, CPA

Enclosure

cc: Richard W. Hale w/enclosure  
Peter A. Morgan w/enclosure

19-4

LOWELL TERRACE ASSOCIATES  
HYPOTHETICAL SALE AND LIQUIDATION ANALYSIS  
AS OF AUGUST 1, 2006

PROJECTED CASH AVAILABLE UPON LIQUIDATION

|  |                       |
|--|-----------------------|
| Estimated Cash and Value of Marketable Securities      | 150,000               |
| Net Sale Proceeds - See Below                          | <u>1,196,150</u>      |
| Estimated Cash Balance and Marketable Securities Value | 1,346,150             |
| Projected NH Business Profits Tax                      | (96,484)              |
| Payoff Balance on \$1,250,000 Portion of Loan          | <u>(515,536)</u>      |
| Net Cash Available for Distribution                    | 734,129               |
| City's Equity Interest                                 | <u>50.0%</u>          |
| City's Equity Entitlement                              | <u><u>367,065</u></u> |

HYPOTHETICAL SALE OF PROPERTY

|                                    |                      |                         |
|------------------------------------|----------------------|-------------------------|
| Gross Sale Proceeds                | 1,255,800            | Based on Assessed Value |
| Third-Party Commission @ 4%        | (50,232)             |                         |
| Real Estate Transfer Tax           | <u>(9,419)</u>       | .75% x 1,255,800        |
| Net Sale Proceeds                  | 1,196,150            |                         |
| Adjusted Tax Basis of Property     | <u>(61,040)</u>      |                         |
| Projected Gain on Sale of Property | 1,135,110            |                         |
| NH Business Profits Tax Rate       | <u>8.5%</u>          |                         |
| Projected NH Business Profits Tax  | <u><u>96,484</u></u> |                         |

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**City of Manchester  
Department of Finance**

One City Hall Plaza  
Manchester, New Hampshire 03101  
Phone: (603) 624-6460  
Fax: (603) 624-6549

August 17, 2006

Alderman Michael Garrity, Chairman  
Committee on Community Improvement  
C/o Office of the City Clerk  
One City Hall Plaza  
Manchester, NH 03101

***RE: Lowell / Weston Terrace***

Dear Alderman Garrity,

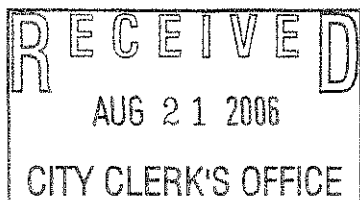
As per the request made at the August 14<sup>th</sup> CIP meeting, attached please find copies of the following agreements relating to the Lowell Street project:

- Promissory note
- Promissory note amendment
- Note obligations – Weston Terrace
- Mortgage and Security Agreement

Respectfully submitted,

Randy Sherman

Cc: CIP Committee Members  
Tom Arnold



19-6

*Memorandum  
copy of pay to*  
Weston Terrace

12/1/80

PROMISSORY NOTE

FOR VALUE RECEIVED, Lowell Terrace Associates, a New Hampshire General Partnership, having a mailing address of 116 Lowell Street, Manchester, New Hampshire, 03101 ("Maker"), promises to pay to MANCHESTER HOUSING AUTHORITY, ("Lender"), or to its order, at its principal office at 198 Hanover Street, Manchester, New Hampshire, 03101, the principal sum of ONE MILLION FIVE HUNDRED THOUSAND (\$1,500,000.00) DOLLARS or so much thereof as is then outstanding under this Note, together with interest in arrears on the unpaid principal balance from time to time outstanding from the date hereof until the entire principal amount due hereunder is paid in full at the rate hereinafter provided.

Payments of interest and principal shall be payable as follows:

1. Interest on \$1,250,000.00 shall be calculated on the basis of the actual number of days elapsed over a year of 360 days and shall be at an annual rate equal to three (3%) per cent.

2. Upon completion of the construction and rehabilitation of the so-called Weston Terrace building on Lowell Street in said Manchester (Mortgaged Property) or on June 30, 1985, whichever is sooner, and for a period of three (3) years from such date, interest only shall be paid based on a principal amount of ONE MILLION TWO HUNDRED FIFTY THOUSAND (\$1,250,000.00) DOLLARS. Payments of such interest shall be made monthly in arrears.

3. Upon the expiration of the three (3) year period, but no later than June 30, 1988, monthly payments in the amount of \$7,829.69 shall be made on the 1st day of each month payable in

arrears. (Said monthly payment being based on a loan schedule for amortizing a loan of \$1,250,000.00 for 17 years at 3%.) All unpaid principal together with any unpaid interest shall be due and payable on the 20th anniversary of the date of this Note.

4. In addition to the foregoing payments, repayment of the remaining TWO HUNDRED FIFTY THOUSAND (\$250,000.00) DOLLARS of principal and interest shall be made as follows:

- a) Upon completion of the said construction and for a period of twenty (20) years thereafter, there shall be paid as interest a sum equal to one-half ( $1/2$ ) of the net cash flow received from operation of the Mortgaged Property. Net Cash Flow as used herein is defined as operating revenues of the Mortgaged property (without deduction for depreciation) less debt service, a reasonable management fee (which fee shall not exceed 7% of gross income), real estate taxes, reasonable operating expenses and reasonable reserves for replacement and no deduction of any kind is permitted for payments of principal or interest on the Note given by Maker to purchase the Mortgaged Property.

There shall be no refinancing, sale or other disposition of the Mortgaged Property during the term of this loan without the consent of the Lender.

- b) At the expiration of twenty (20) years after the date of the first payment made in the preceeding paragraph a), a balloon payment of principal and interest shall be made which shall be a sum equal to

one-half (1/2) of the fair market value of the Mortgaged Property. In the event the Maker and Lender shall be unable to agree on the fair market value then the question shall be decided in accordance with the rules of the American Arbitration Society, which decision shall be final and binding.

Any payments received hereunder shall be applied first to any interest then due and owing hereunder and then to principal then outstanding.

This Note is secured by a Mortgage and Security Agreement of the Maker of even date herewith ("Mortgage") covering certain real estate located in Manchester, New Hampshire, the said Regulatory Agreement and Loan Agreement of the Maker of even date herewith, various other financing instruments, and the personal guaranty of Peter A. Morgan and Richard W. Hale, each of even date herewith, and together with any other instrument securing this Note being hereinafter collectively referred to as the "Security Instruments". This Note is entitled to all of the benefits of the Security Instruments and specific reference is hereby made to such instruments for all purposes.

This Note may not be prepaid in whole or in part without the consent of the Lender.

Upon the occurrence of any of the following (each of which events shall be an Event of Default hereunder):

- (i) the failure of Maker to make any payment of principal or interest hereunder within ten (10) days after the same is due, or

19-9

- (ii) an Event of Default as described and defined in any of the Security Instruments or any other instrument evidencing any indebtedness of the Maker to the Lender and the expiration of any period provided in such instrument to cure such default,

then the holder hereof may declare the entire unpaid principal balance hereunder immediately due and payable without notice, demand, presentment and may exercise any of its rights under any of the Security Instruments. In the event that the Lender or any subsequent holder of this Note shall exercise or endeavor to exercise any of its remedies hereunder or under any of the Security Instruments, the Maker shall pay on demand all reasonable costs and expenses incurred in connection therewith, including, without limitation, reasonable attorney's fees and the Lender may take judgment for all such amounts in addition to all other sums due hereunder. Irrespective of the exercise or nonexercise of any of the aforesaid rights, if any payment of principal or interest hereunder is not paid in full within ten (10) days after the same is due, the Maker shall pay to the holder a processing fee on such unpaid amount equal to six (6%) percent of such late payment.

In the event of default and acceleration of the due date by the holder pursuant to the terms of this Note, the principal balance due under Section 4(b) shall be calculated as follows:

- a) The fair market value of the Mortgaged Property shall be determined;
- b) The unpaid principal amount of the \$1,250,000.00 loan amount together with any unpaid interest (as set forth in Sections 2 and 3 of this Note) shall be deducted;

c) One half of the balance shall be due the Lender.

In the event the Maker and the Lender shall be unable to agree on the fair market value then the question shall be decided in accordance with the rules of the American Arbitration Society, which decision shall be final and binding.

The Maker waives presentment for payment, protest and demand, and notice of protest, demand and/or dishonor and nonpayment of this Note, notice of any event of default under the Security Instruments except as specifically provided therein, and all other notices or demands otherwise required by law that the Maker may lawfully waive. The Maker expressly agrees that this Note, or any payment hereunder may be extended from time to time, without in any way affecting the liability of the Maker. No unilateral consent or waiver by the Lender with respect to any action or failure to act which, without consent would constitute a breach of any provision of this Note shall be valid and binding unless in writing and signed by the Lender.

The rights and obligations of the Maker and the Lender are hereby expressly limited so that in no contingency or event whatsoever, whether by reason of acceleration of maturity of the indebtedness evidenced hereby or otherwise, shall the amount paid or agreed to be paid to the Lender for the use, forbearance or detention of the indebtedness evidenced hereby exceed the maximum permissible under applicable law. As used herein, the term "applicable law" shall mean the law in effect in the State of New Hampshire as of the date hereof. If, from any circumstances whatsoever, fulfillment of any provision hereof or of any provision of the Security Instruments at the time performance of



such provision shall be due, shall involve transcending the limit of validity prescribed by law, then the obligation to be fulfilled shall automatically be reduced to the limit of such validity, and if from any circumstances the Lender should ever receive as interest an amount which would exceed the highest lawful rate, such amount which would be excessive interest shall be applied to the reduction of the principal balance evidenced hereby and not to the payment of interest. This provision shall control every other provision of all agreements between the Maker and the Lender.

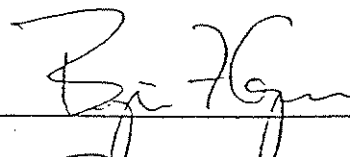
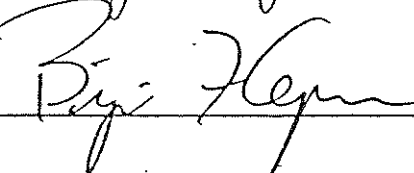
The Maker shall remain primarily liable on this Note and the Security Instruments until full payment, unaffected by an alienation of the Mortgage Premises, by any agreement or transaction between the Lender and any subsequent owner or alienee of the Mortgage Premises as to payment of principal and interest, or other moneys, by any forbearance or extension of time, guaranty or assumption by others, or by any other matter, as to all of which notice is hereby waived by the Maker.

At the sole option of the Lender, this Note may be assigned to the City of Manchester.


IN WITNESS WHEREOF, the Maker executed this Note on this

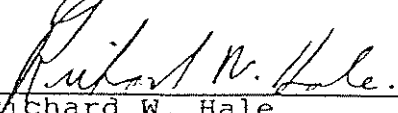
14<sup>th</sup> day of December, 1984.

WITNESS:

LOWELL TERRACE ASSOCIATES

By:   
Peter A. Morgan  
General Partner

By:   
Richard W. Hale  
General Partner

19-17

PROMISSORY NOTE AMENDMENT

FOR VALUE RECEIVED, Lowell Terrace Associates, a New Hampshire General Partnership, having a mailing address of 116 Lowell Street, Manchester, New Hampshire, 03103 and the City of Manchester, a municipal corporation, having an address of 908 Elm Street, Manchester, New Hampshire, 03101 hereby agree to amend the Promissory Note in the principal sum of ONE MILLION FIVE HUNDRED THOUSAND (\$1,500,000.00) DOLLARS dated December 14, 1994, as voted by the Board of Mayor and Aldermen on December 21, 1993 as follows:

Payments of interest and principal relating to the repayment of the \$1,250,000.00 portion shall be payable as follows:

1. Beginning on February 1, 1994 and continuing for fifteen (15) consecutive months payments shall total One Hundred (\$100.00) per month.

2. Beginning with the monthly payment due on May 1, 1995 and all subsequent payments, the monthly amount due shall be as is shown on the attached payment schedule. (Attachment A)

Further, Lowell Terrace Associates agrees to the following:

1. To cease all payments on an improvement loan held by Carolyn C. Morgan, Inc.

2. To bring all property taxes assessed on the so called Weston Terrace Building on Lowell Street current within this fifteen month period. The term "current" shall mean the payment of all real estate taxes levied through the 1994 tax year.

19-13

3. To submit mont<sup>h</sup>ly statements to the City of Manchester CIP Office detailing the progress made on payment of property taxes.

IN WITNESS WHEREOF the parties have executed this amendment on this \_\_\_\_\_ day of \_\_\_\_\_ 1994.

Witness:

Carole C. Morgan

Lowell Terrace associates

By:

Peter A. Morgan  
General Partner

Witness:

Carole C. Morgan

By:

Richard W. Hale  
General Partner

City of Manchester

Witness:

\_\_\_\_\_

By:

John I. Snow  
City Coordinator

PRINCIPAL AMOUNT: \$1,250,000.00  
 TERMS (YEARS): 17  
 INTEREST RATE: 3.00%  
 YEAR OF LOAN: 89  
 FIRST PAYMENT (MONTH): 5  
 CALC MONTHLY PAYMENTS: \$7,829.68  
 ACTUAL MONTHLY PAYMENTS: \$7,829.68

ATTACHMENT A

| PAYMENT DATE |        | PAYMENT DUE |          | BALANCE      | PAYMENT MADE |          | BALANCE      |
|--------------|--------|-------------|----------|--------------|--------------|----------|--------------|
| NUMBER       | DATE   | PRINCIPAL   | INTEREST |              | PRINCIPAL    | INTEREST |              |
| 56           | Dec-93 | 5,397.23    | 2,432.45 | \$967,582.08 | 5,397.23     | 2,432.45 | \$967,582.08 |
| 57           | Jan-94 | 5,410.72    | 2,418.96 | \$962,171.36 | 5,410.72     | 2,418.96 | \$962,171.36 |
| 58           | Feb-94 | 5,424.25    | 2,405.43 | \$956,747.11 | MINIMUM      | 2,405.43 | \$964,476.79 |
| 59           | Mar-94 | 5,437.81    | 2,391.87 | \$951,309.30 | PAYMENT      | 2,411.19 | \$966,787.98 |
| 60           | Apr-94 | 5,451.41    | 2,378.27 | \$945,857.89 | \$100.00     | 2,416.97 | \$969,104.95 |
| 61           | May-94 | 5,465.04    | 2,364.64 | \$940,392.85 | PER MONTH    | 2,422.76 | \$971,427.71 |
| 62           | Jun-94 | 5,478.70    | 2,350.98 | \$934,914.15 |              | 2,428.57 | \$973,756.28 |
| 63           | Jul-94 | 5,492.39    | 2,337.29 | \$929,421.76 | INTEREST     | 2,434.39 | \$976,090.67 |
| 64           | Aug-94 | 5,506.13    | 2,323.55 | \$923,915.63 | DUE BUT      | 2,440.23 | \$978,430.90 |
| 65           | Sep-94 | 5,519.89    | 2,309.79 | \$918,395.74 | NOT PAID     | 2,446.08 | \$980,776.98 |
| 66           | Oct-94 | 5,533.69    | 2,295.99 | \$912,862.05 |              | 2,451.94 | \$983,128.92 |
| 67           | Nov-94 | 5,547.52    | 2,282.16 | \$907,314.53 | ACCURED      | 2,457.82 | \$985,486.74 |
| 68           | Dec-94 | 5,561.39    | 2,268.29 | \$901,753.14 | AND          | 2,463.72 | \$987,850.46 |
| 69           | Jan-95 | 5,575.30    | 2,254.38 | \$896,177.84 | COMPOUNDED   | 2,469.63 | \$990,220.09 |
| 70           | Feb-95 | 5,589.24    | 2,240.44 | \$890,588.60 |              | 2,475.55 | \$992,595.64 |
| 71           | Mar-95 | 5,603.21    | 2,226.47 | \$884,985.39 |              | 2,481.49 | \$994,977.13 |
| 72           | Apr-95 | 5,617.22    | 2,212.46 | \$879,368.17 |              | 2,487.44 | \$997,364.57 |
| 73           | May-95 | 5,631.26    | 2,198.42 | \$873,736.91 | 5,622.66     | 2,493.41 | \$991,741.91 |
| 74           | Jun-95 | 5,645.34    | 2,184.34 | \$868,091.57 | 5,636.72     | 2,479.35 | \$986,105.19 |
| 75           | Jul-95 | 5,659.45    | 2,170.23 | \$862,432.12 | 5,650.81     | 2,465.26 | \$980,454.38 |
| 76           | Aug-95 | 5,673.60    | 2,156.08 | \$856,758.52 | 5,664.93     | 2,451.14 | \$974,789.45 |
| 77           | Sep-95 | 5,687.78    | 2,141.90 | \$851,070.74 | 5,679.10     | 2,436.97 | \$969,110.35 |
| 78           | Oct-95 | 5,702.00    | 2,127.68 | \$845,368.74 | 5,693.29     | 2,422.78 | \$963,417.06 |
| 79           | Nov-95 | 5,716.26    | 2,113.42 | \$839,652.48 | 5,707.53     | 2,408.54 | \$957,709.53 |
| 80           | Dec-95 | 5,730.55    | 2,099.13 | \$833,921.93 | 5,721.80     | 2,394.27 | \$951,987.73 |
| 81           | Jan-96 | 5,744.88    | 2,084.80 | \$828,177.05 | 5,736.10     | 2,379.97 | \$946,251.63 |
| 82           | Feb-96 | 5,759.24    | 2,070.44 | \$822,417.81 | 5,750.44     | 2,365.63 | \$940,501.19 |
| 83           | Mar-96 | 5,773.64    | 2,056.04 | \$816,644.17 | 5,764.82     | 2,351.25 | \$934,736.37 |
| 84           | Apr-96 | 5,788.07    | 2,041.61 | \$810,856.10 | 5,779.23     | 2,336.84 | \$928,957.14 |
| 85           | May-96 | 5,802.54    | 2,027.14 | \$805,053.56 | 5,793.68     | 2,322.39 | \$923,163.46 |
| 86           | Jun-96 | 5,817.05    | 2,012.63 | \$799,236.51 | 5,808.16     | 2,307.91 | \$917,355.30 |
| 87           | Jul-96 | 5,831.59    | 1,998.09 | \$793,404.92 | 5,822.68     | 2,293.39 | \$911,532.62 |
| 88           | Aug-96 | 5,846.17    | 1,983.51 | \$787,558.75 | 5,837.24     | 2,278.83 | \$905,695.38 |
| 89           | Sep-96 | 5,860.78    | 1,968.90 | \$781,697.97 | 5,851.83     | 2,264.24 | \$899,843.55 |
| 90           | Oct-96 | 5,875.44    | 1,954.24 | \$775,822.53 | 5,866.46     | 2,249.61 | \$893,977.09 |
| 91           | Nov-96 | 5,890.12    | 1,939.56 | \$769,932.41 | 5,881.13     | 2,234.94 | \$888,095.96 |
| 92           | Dec-96 | 5,904.85    | 1,924.83 | \$764,027.56 | 5,895.83     | 2,220.24 | \$882,200.13 |
| 93           | Jan-97 | 5,919.61    | 1,910.07 | \$758,107.95 | 5,910.57     | 2,205.50 | \$876,289.56 |
| 94           | Feb-97 | 5,934.41    | 1,895.27 | \$752,173.54 | 5,925.35     | 2,190.72 | \$870,364.21 |
| 95           | Mar-97 | 5,949.25    | 1,880.43 | \$746,224.29 | 5,940.16     | 2,175.91 | \$864,424.05 |
| 96           | Apr-97 | 5,964.12    | 1,865.56 | \$740,260.17 | 5,955.01     | 2,161.06 | \$858,469.04 |
| 97           | May-97 | 5,979.03    | 1,850.65 | \$734,281.14 | 5,969.90     | 2,146.17 | \$852,499.14 |
| 98           | Jun-97 | 5,993.98    | 1,835.70 | \$728,287.16 | 5,984.82     | 2,131.25 | \$846,514.32 |
| 99           | Jul-97 | 6,008.96    | 1,820.72 | \$722,278.20 | 5,999.78     | 2,116.29 | \$840,514.54 |
| 100          | Aug-97 | 6,023.98    | 1,805.70 | \$716,254.22 | 6,014.78     | 2,101.29 | \$834,499.76 |
| 101          | Sep-97 | 6,039.04    | 1,790.64 | \$710,215.18 | 6,029.82     | 2,086.25 | \$828,469.94 |
| 102          | Oct-97 | 6,054.14    | 1,775.54 | \$704,161.04 | 6,044.90     | 2,071.17 | \$822,425.04 |
| 103          | Nov-97 | 6,069.28    | 1,760.40 | \$698,091.76 | 6,060.01     | 2,056.06 | \$816,365.03 |
| 104          | Dec-97 | 6,084.45    | 1,745.23 | \$692,007.31 | 6,075.16     | 2,040.91 | \$810,289.87 |
| 105          | Jan-98 | 6,099.66    | 1,730.02 | \$685,907.65 | 6,090.35     | 2,025.72 | \$804,199.52 |

19-15

PRINCIPAL AMOUNT: \$1,250,000.00  
 TERMS (YEARS): 17  
 INTEREST RATE: 3.00%  
 YEAR OF LOAN: 89  
 FIRST PAYMENT (MONTH): 5  
 CALC MONTHLY PAYMENTS: \$7,829.68  
 ACTUAL MONTHLY PAYMENT: \$7,829.68

| PAYMENT DATE |          | PAYMENT DUE |          | BALANCE      | PAYMENT MADE |          | BALANCE      |
|--------------|----------|-------------|----------|--------------|--------------|----------|--------------|
| NUMBER       | DATE     | PRINCIPAL   | INTEREST |              | PRINCIPAL    | INTEREST |              |
| 106          | Feb-98   | 6,114.91    | 1,714.77 | \$679,792.74 | 6,105.57     | 2,010.50 | \$798,093.95 |
| 107          | Mar-98   | 6,130.20    | 1,699.48 | \$673,662.54 | 6,120.84     | 1,995.23 | \$791,973.11 |
| 108          | Apr-98   | 6,145.52    | 1,684.16 | \$667,517.02 | 6,136.14     | 1,979.93 | \$785,836.97 |
| 109          | May-98   | 6,160.89    | 1,668.79 | \$661,356.13 | 6,151.48     | 1,964.59 | \$779,685.49 |
| 110          | Jun-98   | 6,176.29    | 1,653.39 | \$655,179.84 | 6,166.86     | 1,949.21 | \$773,518.63 |
| 111          | Jul-98   | 6,191.73    | 1,637.95 | \$648,988.11 | 6,182.27     | 1,933.80 | \$767,336.36 |
| 112          | Aug-98   | 6,207.21    | 1,622.47 | \$642,780.90 | 6,197.73     | 1,918.34 | \$761,138.63 |
| 113          | Sep-98   | 6,222.73    | 1,606.95 | \$636,558.17 | 6,213.22     | 1,902.85 | \$754,925.41 |
| 114          | Oct-98   | 6,238.28    | 1,591.40 | \$630,319.89 | 6,228.76     | 1,887.31 | \$748,696.65 |
| 115          | Nov-98   | 6,253.88    | 1,575.80 | \$624,066.01 | 6,244.33     | 1,871.74 | \$742,452.32 |
| 116          | Dec-98   | 6,269.51    | 1,560.17 | \$617,796.50 | 6,259.94     | 1,856.13 | \$736,192.38 |
| 117          | Jan-99   | 6,285.19    | 1,544.49 | \$611,511.31 | 6,275.59     | 1,840.48 | \$729,916.79 |
| 118          | Feb-99   | 6,300.90    | 1,528.78 | \$605,210.41 | 6,291.28     | 1,824.79 | \$723,625.51 |
| 119          | Mar-99   | 6,316.65    | 1,513.03 | \$598,893.76 | 6,307.01     | 1,809.06 | \$717,318.50 |
| 120          | Apr-99   | 6,332.45    | 1,497.23 | \$592,561.31 | 6,322.77     | 1,793.30 | \$710,995.73 |
| 121          | May-99   | 6,348.28    | 1,481.40 | \$586,213.03 | 6,338.58     | 1,777.49 | \$704,657.15 |
| 122          | Jun-99   | 6,364.15    | 1,465.53 | \$579,848.88 | 6,354.43     | 1,761.64 | \$698,302.72 |
| 123          | Jul-99   | 6,380.06    | 1,449.62 | \$573,468.82 | 6,370.31     | 1,745.76 | \$691,932.41 |
| 124          | Aug-99   | 6,396.01    | 1,433.67 | \$567,072.81 | 6,386.24     | 1,729.83 | \$685,546.17 |
| 125          | Sep-99   | 6,412.00    | 1,417.68 | \$560,660.81 | 6,402.20     | 1,713.87 | \$679,143.97 |
| 126          | Oct-99   | 6,428.03    | 1,401.65 | \$554,232.78 | 6,418.21     | 1,697.86 | \$672,725.76 |
| 127          | Nov-99   | 6,444.10    | 1,385.58 | \$547,788.68 | 6,434.26     | 1,681.81 | \$666,291.50 |
| 128          | Dec-99   | 6,460.21    | 1,369.47 | \$541,328.47 | 6,450.34     | 1,665.73 | \$659,841.16 |
| 129          | Jan-2000 | 6,476.36    | 1,353.32 | \$534,852.11 | 6,466.47     | 1,649.60 | \$653,374.69 |
| 130          | Feb-2000 | 6,492.55    | 1,337.13 | \$528,359.56 | 6,482.63     | 1,633.44 | \$646,892.06 |
| 131          | Mar-2000 | 6,508.78    | 1,320.90 | \$521,850.78 | 6,498.84     | 1,617.23 | \$640,393.22 |
| 132          | Apr-2000 | 6,525.05    | 1,304.63 | \$515,325.73 | 6,515.09     | 1,600.98 | \$633,878.13 |
| 133          | May-2000 | 6,541.37    | 1,288.31 | \$508,784.36 | 6,531.37     | 1,584.70 | \$627,346.76 |
| 134          | Jun-2000 | 6,557.72    | 1,271.96 | \$502,226.64 | 6,547.70     | 1,568.37 | \$620,799.06 |
| 135          | Jul-2000 | 6,574.11    | 1,255.57 | \$495,652.53 | 6,564.07     | 1,552.00 | \$614,234.99 |
| 136          | Aug-2000 | 6,590.55    | 1,239.13 | \$489,061.98 | 6,580.48     | 1,535.59 | \$607,654.51 |
| 137          | Sep-2000 | 6,607.03    | 1,222.65 | \$482,454.95 | 6,596.93     | 1,519.14 | \$601,057.58 |
| 138          | Oct-2000 | 6,623.54    | 1,206.14 | \$475,831.41 | 6,613.43     | 1,502.64 | \$594,444.15 |
| 139          | Nov-2000 | 6,640.10    | 1,189.58 | \$469,191.31 | 6,629.96     | 1,486.11 | \$587,814.19 |
| 140          | Dec-2000 | 6,656.70    | 1,172.98 | \$462,534.61 | 6,646.53     | 1,469.54 | \$581,167.66 |
| 141          | Jan-2001 | 6,673.34    | 1,156.34 | \$455,861.27 | 6,663.15     | 1,452.92 | \$574,504.51 |
| 142          | Feb-2001 | 6,690.03    | 1,139.65 | \$449,171.24 | 6,679.81     | 1,436.26 | \$567,824.70 |
| 143          | Mar-2001 | 6,706.75    | 1,122.93 | \$442,464.49 | 6,696.51     | 1,419.56 | \$561,128.19 |
| 144          | Apr-2001 | 6,723.52    | 1,106.16 | \$435,740.97 | 6,713.25     | 1,402.82 | \$554,414.94 |
| 145          | May-2001 | 6,740.33    | 1,089.35 | \$429,000.64 | 6,730.03     | 1,386.04 | \$547,684.91 |
| 146          | Jun-2001 | 6,757.18    | 1,072.50 | \$422,243.46 | 6,746.86     | 1,369.21 | \$540,938.05 |
| 147          | Jul-2001 | 6,774.07    | 1,055.61 | \$415,469.39 | 6,763.72     | 1,352.35 | \$534,174.33 |
| 148          | Aug-2001 | 6,791.01    | 1,038.67 | \$408,678.38 | 6,780.63     | 1,335.44 | \$527,393.70 |
| 149          | Sep-2001 | 6,807.98    | 1,021.70 | \$401,870.40 | 6,797.59     | 1,318.48 | \$520,596.11 |
| 150          | Oct-2001 | 6,825.00    | 1,004.68 | \$395,045.40 | 6,814.58     | 1,301.49 | \$513,781.53 |
| 151          | Nov-2001 | 6,842.07    | 987.61   | \$388,203.33 | 6,831.62     | 1,284.45 | \$506,949.91 |
| 152          | Dec-2001 | 6,859.17    | 970.51   | \$381,344.16 | 6,848.70     | 1,267.37 | \$500,101.21 |
| 153          | Jan-2002 | 6,876.32    | 953.36   | \$374,467.84 | 6,865.82     | 1,250.25 | \$493,235.39 |
| 154          | Feb-2002 | 6,893.51    | 936.17   | \$367,574.33 | 6,882.98     | 1,233.09 | \$486,352.41 |
| 155          | Mar-2002 | 6,910.74    | 918.94   | \$360,663.59 | 6,900.19     | 1,215.88 | \$479,452.22 |

19-16

PRINCIPAL AMOUNT: \$1,250,000.00  
 TERMS (YEARS): 17  
 INTEREST RATE: 3.00%  
 YEAR OF LOAN: 89  
 FIRST PAYMENT (MONTH): 5  
 CALC MONTHLY PAYMENTS: \$7,829.68  
 ACTUAL MONTHLY PAYMENTS: \$7,829.68

| PAYMENT DATE |          | PAYMENT DUE |          | BALANCE      | PAYMENT MADE |          | BALANCE      |
|--------------|----------|-------------|----------|--------------|--------------|----------|--------------|
| NUMBER       | DATE     | PRINCIPAL   | INTEREST |              | PRINCIPAL    | INTEREST |              |
| 156          | Apr-2002 | 6,928.02    | 901.66   | \$353,735.57 | 6,917.44     | 1,198.63 | \$472,534.78 |
| 157          | May-2002 | 6,945.34    | 884.34   | \$346,790.23 | 6,934.73     | 1,181.34 | \$465,600.05 |
| 158          | Jun-2002 | 6,962.70    | 866.98   | \$339,827.53 | 6,952.07     | 1,164.00 | \$458,647.98 |
| 159          | Jul-2002 | 6,980.11    | 849.57   | \$332,847.42 | 6,969.45     | 1,146.62 | \$451,678.53 |
| 160          | Aug-2002 | 6,997.56    | 832.12   | \$325,849.86 | 6,986.87     | 1,129.20 | \$444,691.66 |
| 161          | Sep-2002 | 7,015.06    | 814.62   | \$318,834.80 | 7,004.34     | 1,111.73 | \$437,687.32 |
| 162          | Oct-2002 | 7,032.59    | 797.09   | \$311,802.21 | 7,021.85     | 1,094.22 | \$430,665.47 |
| 163          | Nov-2002 | 7,050.17    | 779.51   | \$304,752.04 | 7,039.41     | 1,076.66 | \$423,626.06 |
| 164          | Dec-2002 | 7,067.80    | 761.88   | \$297,684.24 | 7,057.00     | 1,059.07 | \$416,569.06 |
| 165          | Jan-2003 | 7,085.47    | 744.21   | \$290,598.77 | 7,074.65     | 1,041.42 | \$409,494.41 |
| 166          | Feb-2003 | 7,103.18    | 726.50   | \$283,495.59 | 7,092.33     | 1,023.74 | \$402,402.08 |
| 167          | Mar-2003 | 7,120.94    | 708.74   | \$276,374.65 | 7,110.06     | 1,006.01 | \$395,292.02 |
| 168          | Apr-2003 | 7,138.74    | 690.94   | \$269,235.91 | 7,127.84     | 988.23   | \$388,164.18 |
| 169          | May-2003 | 7,156.59    | 673.09   | \$262,079.32 | 7,145.66     | 970.41   | \$381,018.52 |
| 170          | Jun-2003 | 7,174.48    | 655.20   | \$254,904.84 | 7,163.52     | 952.55   | \$373,855.00 |
| 171          | Jul-2003 | 7,192.42    | 637.26   | \$247,712.42 | 7,181.43     | 934.64   | \$366,673.57 |
| 172          | Aug-2003 | 7,210.40    | 619.28   | \$240,502.02 | 7,199.39     | 916.68   | \$359,474.18 |
| 173          | Sep-2003 | 7,228.42    | 601.26   | \$233,273.60 | 7,217.38     | 898.69   | \$352,256.80 |
| 174          | Oct-2003 | 7,246.50    | 583.18   | \$226,027.10 | 7,235.43     | 880.64   | \$345,021.37 |
| 175          | Nov-2003 | 7,264.61    | 565.07   | \$218,762.49 | 7,253.52     | 862.55   | \$337,767.85 |
| 176          | Dec-2003 | 7,282.77    | 546.91   | \$211,479.72 | 7,271.65     | 844.42   | \$330,496.20 |
| 177          | Jan-2004 | 7,300.98    | 528.70   | \$204,178.74 | 7,289.83     | 826.24   | \$323,206.37 |
| 178          | Feb-2004 | 7,319.23    | 510.45   | \$196,859.51 | 7,308.05     | 808.02   | \$315,898.32 |
| 179          | Mar-2004 | 7,337.53    | 492.15   | \$189,521.98 | 7,326.32     | 789.75   | \$308,572.00 |
| 180          | Apr-2004 | 7,355.88    | 473.80   | \$182,166.10 | 7,344.64     | 771.43   | \$301,227.36 |
| 181          | May-2004 | 7,374.26    | 455.42   | \$174,791.84 | 7,363.00     | 753.07   | \$293,864.36 |
| 182          | Jun-2004 | 7,392.70    | 436.98   | \$167,399.14 | 7,381.41     | 734.66   | \$286,482.95 |
| 183          | Jul-2004 | 7,411.18    | 418.50   | \$159,987.96 | 7,399.86     | 716.21   | \$279,083.09 |
| 184          | Aug-2004 | 7,429.71    | 399.97   | \$152,558.25 | 7,418.36     | 697.71   | \$271,664.73 |
| 185          | Sep-2004 | 7,448.28    | 381.40   | \$145,109.97 | 7,436.91     | 679.16   | \$264,227.82 |
| 186          | Oct-2004 | 7,466.91    | 362.77   | \$137,643.06 | 7,455.50     | 660.57   | \$256,772.32 |
| 187          | Nov-2004 | 7,485.57    | 344.11   | \$130,157.49 | 7,474.14     | 641.93   | \$249,298.18 |
| 188          | Dec-2004 | 7,504.29    | 325.39   | \$122,653.20 | 7,492.82     | 623.25   | \$241,805.36 |
| 189          | Jan-2005 | 7,523.05    | 306.63   | \$115,130.15 | 7,511.56     | 604.51   | \$234,293.80 |
| 190          | Feb-2005 | 7,541.85    | 287.83   | \$107,588.30 | 7,530.34     | 585.73   | \$226,763.46 |
| 191          | Mar-2005 | 7,560.71    | 268.97   | \$100,027.59 | 7,549.16     | 566.91   | \$219,214.30 |
| 192          | Apr-2005 | 7,579.61    | 250.07   | \$92,447.98  | 7,568.03     | 548.04   | \$211,646.27 |
| 193          | May-2005 | 7,598.56    | 231.12   | \$84,849.42  | 7,586.95     | 529.12   | \$204,059.32 |
| 194          | Jun-2005 | 7,617.56    | 212.12   | \$77,231.86  | 7,605.92     | 510.15   | \$196,453.40 |
| 195          | Jul-2005 | 7,636.60    | 193.08   | \$69,595.26  | 7,624.94     | 491.13   | \$188,828.46 |
| 196          | Aug-2005 | 7,655.69    | 173.99   | \$61,939.57  | 7,644.00     | 472.07   | \$181,184.46 |
| 197          | Sep-2005 | 7,674.83    | 154.85   | \$54,264.74  | 7,663.11     | 452.96   | \$173,521.35 |
| 198          | Oct-2005 | 7,694.02    | 135.66   | \$46,570.72  | 7,682.27     | 433.80   | \$165,839.08 |
| 199          | Nov-2005 | 7,713.25    | 116.43   | \$38,857.47  | 7,701.47     | 414.60   | \$158,137.61 |
| 200          | Dec-2005 | 7,732.54    | 97.14    | \$31,124.93  | 7,720.73     | 395.34   | \$150,416.88 |
| 201          | Jan-2006 | 7,751.87    | 77.81    | \$23,373.06  | 7,740.03     | 376.04   | \$142,676.85 |
| 202          | Feb-2006 | 7,771.25    | 58.43    | \$15,601.81  | 7,759.38     | 356.69   | \$134,917.47 |
| 203          | Mar-2006 | 7,790.68    | 39.00    | \$7,811.13   | 7,778.78     | 337.29   | \$127,138.69 |
| 204          | Apr-2006 | 7,810.15    | 19.53    | \$0.98       | 7,798.22     | 317.85   | \$119,340.47 |
| 205          | May-2006 | 0.98        | 0.00     |              | 7,817.72     | 298.35   | \$111,522.75 |

PRINCIPAL AMOUNT: \$1,250,000.00  
 TERMS (YEARS): 17  
 INTEREST RATE: 3.00%  
 YEAR OF LOAN: 89  
 FIRST PAYMENT (MONTH): 5  
 CALC MONTHLY PAYMENTS: \$7,829.68  
 ACTUAL MONTHLY PAYMENT: \$7,829.68

| PAYMENT DATE |          | PAYMENT DUE |          | BALANCE | PAYMENT MADE |          | BALANCE      |
|--------------|----------|-------------|----------|---------|--------------|----------|--------------|
| NUMBER       | DATE     | PRINCIPAL   | INTEREST |         | PRINCIPAL    | INTEREST |              |
| 206          | Jun-2006 |             |          |         | 7,837.26     | 278.81   | \$103,685.49 |
| 207          | Jul-2006 |             |          |         | 7,856.86     | 259.21   | \$95,828.63  |
| 208          | Aug-2006 |             |          |         | 7,876.50     | 239.57   | \$87,952.13  |
| 209          | Sep-2006 |             |          |         | 7,896.19     | 219.88   | \$80,055.94  |
| 210          | Oct-2006 |             |          |         | 7,915.93     | 200.14   | \$72,140.01  |
| 211          | Nov-2006 |             |          |         | 7,935.72     | 180.35   | \$64,204.29  |
| 212          | Dec-2006 |             |          |         | 7,955.56     | 160.51   | \$56,248.73  |
| 213          | Jan-2007 |             |          |         | 7,975.45     | 140.62   | \$48,273.28  |
| 214          | Feb-2007 |             |          |         | 7,995.39     | 120.68   | \$40,277.89  |
| 215          | Mar-2007 |             |          |         | 8,015.38     | 100.69   | \$32,262.51  |
| 216          | Apr-2007 |             |          |         | 8,035.41     | 80.66    | \$24,227.10  |
| 217          | May-2007 |             |          |         | 8,055.50     | 60.57    | \$16,171.60  |
| 218          | Jun-2007 |             |          |         | 8,075.64     | 40.43    | \$8,095.96   |
| 219          | Jul-2007 |             |          |         | 8,095.83     | 20.24    | \$0.13       |

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MEMORANDUM OF UNDERSTANDING  
BETWEEN  
LOWELL TERRACE ASSOCIATES  
MANCHESTER HOUSING AUTHORITY, AND  
CITY OF MANCHESTER, NEW HAMPSHIRE

file  
10A documents

WHEREAS, The City of Manchester (City) has agreed to provide \$1.5 million to the Manchester Housing Authority (Authority) to fund the renovation of the residential property at 80 Lowell Street; and

WHEREAS, The Authority has loaned \$1.5 million to Lowell Terrace Associates (Developer), \$1,250,000.00 of which is to be repaid at a 3% interest rate over 20 years, and \$250,000.00 of which is to be repaid by the Authority and the Developer sharing equally in any positive cash flow for the 20 year loan term and, at the end of 20 years, sharing equally in the value of the property; and

WHEREAS, the original terms of the agreements between the City and the Authority, and the Authority and the Developer required repayment of the 3% loan to commence June 30, 1985; and

WHEREAS, Construction delays caused the project to be completed later than anticipated (substantially completed by April 1, 1986).

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

That paragraph numbered 2 on the first page of the note is amended by striking the date of June 30, 1985 and substituting the date of May 1, 1986.

That paragraph numbered 3 on the first page of the note is amended by striking the date of June 30, 1988 and substituting the date of May 1, 1989.

That, to clarify paragraph numbered 4 on the second page of the note, the date of completion of the construction shall be April 1, 1986.

That, any late charges resulting from said construction delays are hereby waived.



In all other respects said note shall stand as written.

In Witness Whereof, the parties hereto have executed this Agreement on this the 6th day of September 1988.

Thomas B. Trisbi  
Witness

[Signature]  
Witness

[Signature]  
Witness

LOWELL TERRACE ASSOCIATES

Ruth M. Hale  
[Signature]  
Owner/Borrower

CITY OF MANCHESTER

Emile D. Beaulieu  
Mayor

MANCHESTER HOUSING AUTHORITY

[Signature]  
Chairman

Note Obligations - Weston Terrace

Date of Note - December 14, 1984

Original outstanding principal - \$1,500,000

Interest rate for \$1,250,000 of the total note, interest at 3% per annum (calculated on a 360 day year).

Principal and interest payments beginning on date of completion of construction or June 30, 1985 whichever is sooner and for a period of 3 years, interest only to be paid on \$1,250,000 of the note. Interest to be paid monthly in arrears. After a 3 year period monthly payments in the amount of \$7,829.69 to be made on the first day of each month payable in arrears (such payments based on a loan amortization schedule of \$1,250,000 over 17 years at 3% interest).

Repayment of \$250,000 of the note, which amount to include principal and interest, to be as follows:

- 1) Upon completion of construction and for a period of 20 years, interest to be paid equal to 1/2 of net cash flow (as defined);
- 2) At the expiration of 20 years a balloon payment of principal and interest shall be made equal to 1/2 fair market value of the property.

The note has other terms concerning events of default, cures for events of default and the involvement of the American Arbitration Society on certain questions concerning value.

12/01/04

## PROMISSORY NOTE

FOR VALUE RECEIVED, Lowell Terrace Associates, a New Hampshire General Partnership, having a mailing address of 116 Lowell Street, Manchester, New Hampshire, 03101 ("Maker"), promises to pay to MANCHESTER HOUSING AUTHORITY, ("Lender"), or to its order, at its principal office at 198 Hanover Street, Manchester, New Hampshire, 03101, the principal sum of ONE MILLION FIVE HUNDRED THOUSAND (\$1,500,000.00) DOLLARS or so much thereof as is then outstanding under this Note, together with interest in arrears on the unpaid principal balance from time to time outstanding from the date hereof until the entire principal amount due hereunder is paid in full at the rate hereinafter provided.

Payments of interest and principal shall be payable as follows:

1. Interest on \$1,250,000.00 shall be calculated on the basis of the actual number of days elapsed over a year of 360 days and shall be at an annual rate equal to three (3%) per cent.

2. Upon completion of the construction and rehabilitation of the so-called Weston Terrace building on Lowell Street in said Manchester (Mortgaged Property) or on June 30, 1985, whichever is sooner, and for a period of three (3) years from such date, interest only shall be paid based on a principal amount of ONE MILLION TWO HUNDRED FIFTY THOUSAND (\$1,250,000.00) DOLLARS. Payments of such interest shall be made monthly in arrears.

3. Upon the expiration of the three (3) year period, but no later than June 30, 1988, monthly payments in the amount of \$7,829.69 shall be made on the 1st day of each month.

arrears. (Said monthly payment being based on a loan schedule for amortizing a loan of \$1,250,000.00 for 17 years at 3%.) All unpaid principal together with any unpaid interest shall be due and payable on the 20th anniversary of the date of this Note.

4. In addition to the foregoing payments, repayment of the remaining TWO HUNDRED FIFTY THOUSAND (\$250,000.00) DOLLARS of principal and interest shall be made as follows:

- a) Upon completion of the said construction and for a period of twenty (20) years thereafter, there shall be paid as interest a sum equal to one-half ( $1/2$ ) of the net cash flow received from operation of the Mortgaged Property. Net Cash Flow as used herein is defined as operating revenues of the Mortgaged property (without deduction for depreciation) less debt service, a reasonable management fee (which fee shall not exceed 7% of gross income), real estate taxes, reasonable operating expenses and reasonable reserves for replacement and no deduction of any kind is permitted for payments of principal or interest on the Note given by Maker to purchase the Mortgaged Property.

There shall be no refinancing, sale or other disposition of the Mortgaged Property during the term of this loan without the consent of the Lender.

- b) At the expiration of twenty (20) years after the date of the first payment made in the preceeding paragraph a), a balloon payment of principal and

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one-half (1/2) of the fair market value of the Mortgaged Property. In the event the Maker and Lender shall be unable to agree on the fair market value then the question shall be decided in accordance with the rules of the American Arbitration Society, which decision shall be final and binding.

Any payments received hereunder shall be applied first to any interest then due and owing hereunder and then to principal then outstanding.

This Note is secured by a Mortgage and Security Agreement of the Maker of even date herewith ("Mortgage") covering certain real estate located in Manchester, New Hampshire, the said Regulatory Agreement and Loan Agreement of the Maker of even date herewith, various other financing instruments, and the personal guaranty of Peter A. Morgan and Richard W. Hale, each of even date herewith, and together with any other instrument securing this Note being hereinafter collectively referred to as the "Security Instruments". This Note is entitled to all of the benefits of the Security Instruments and specific reference is hereby made to such instruments for all purposes.

This Note may not be prepaid in whole or in part without the consent of the Lender.

Upon the occurrence of any of the following (each of which events shall be an Event of Default hereunder):

- (i) the failure of Maker to make any payment of principal or interest hereunder within ten
- (10) days after the same is due, or

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- (ii) an Event of Default as described and defined in any of the Security Instruments or any other instrument evidencing any indebtedness of the Maker to the Lender and the expiration of any period provided in such instrument to cure such default,

then the holder hereof may declare the entire unpaid principal balance hereunder immediately due and payable without notice, demand, presentment and may exercise any of its rights under any of the Security Instruments. In the event that the Lender or any subsequent holder of this Note shall exercise or endeavor to exercise any of its remedies hereunder or under any of the Security Instruments, the Maker shall pay on demand all reasonable costs and expenses incurred in connection therewith, including, without limitation, reasonable attorney's fees and the Lender may take judgment for all such amounts in addition to all other sums due hereunder. Irrespective of the exercise or nonexercise of any of the aforesaid rights, if any payment of principal or interest hereunder is not paid in full within ten (10) days after the same is due, the Maker shall pay to the holder a processing fee on such unpaid amount equal to six (6%) percent of such late payment.

In the event of default and acceleration of the due date by the holder pursuant to the terms of this Note, the principal balance due under Section 4(b) shall be calculated as follows:

- a) The fair market value of the Mortgaged Property shall be determined;
- b) The unpaid principal amount of the \$1,250,000.00 loan amount together with any unpaid interest (as set forth

c) One half of the balance shall be due the Lender.

In the event the Maker and the Lender shall be unable to agree on the fair market value then the question shall be decided in accordance with the rules of the American Arbitration Society, which decision shall be final and binding.

The Maker waives presentment for payment, protest and demand, and notice of protest, demand and/or dishonor and nonpayment of this Note, notice of any event of default under the Security Instruments except as specifically provided therein, and all other notices or demands otherwise required by law that the Maker may lawfully waive. The Maker expressly agrees that this Note, or any payment hereunder may be extended from time to time, without in any way affecting the liability of the Maker. No unilateral consent or waiver by the Lender with respect to any action or failure to act which, without consent would constitute a breach of any provision of this Note shall be valid and binding unless in writing and signed by the Lender.

The rights and obligations of the Maker and the Lender are hereby expressly limited so that in no contingency or event whatsoever, whether by reason of acceleration of maturity of the indebtedness evidenced hereby or otherwise, shall the amount paid or agreed to be paid to the Lender for the use, forbearance or detention of the indebtedness evidenced hereby exceed the maximum permissible under applicable law. As used herein, the term "applicable law" shall mean the law in effect in the State of New Hampshire as of the date hereof. If, from any circumstances whatsoever, fulfillment of any provision hereof or of any provision of the Security Instruments at the time performance of

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such provision shall be due, shall involve transcending the limit of validity prescribed by law, then the obligation to be fulfilled shall automatically be reduced to the limit of such validity, and if from any circumstances the Lender should ever receive as interest an amount which would exceed the highest lawful rate, such amount which would be excessive interest shall be applied to the reduction of the principal balance evidenced hereby and not to the payment of interest. This provision shall control every other provision of all agreements between the Maker and the Lender.

The Maker shall remain primarily liable on this Note and the Security Instruments until full payment, unaffected by an alienation of the Mortgage Premises, by any agreement or transaction between the Lender and any subsequent owner or alienee of the Mortgage Premises as to payment of principal and interest, or other moneys, by any forbearance or extension of time, guaranty or assumption by others, or by any other matter, as to all of which notice is hereby waived by the Maker.

At the sole option of the Lender, this Note may be assigned to the City of Manchester.

IN WITNESS WHEREOF, the Maker executed this Note on this 14<sup>th</sup> day of December, 1984.

WITNESS:

B. H. H. H.  
B. H. H. H.

LOWELL TERRACE ASSOCIATES

By: Peter A. Morgan  
General Partner

By: R. H. H. H.



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## MORTGAGE AND SECURITY AGREEMENT

KNOW ALL MEN BY THESE PRESENTS, that Lowell Terrace Associates, a New Hampshire general partnership, with a mail address of 116 Lowell Street, Manchester, New Hampshire, 03101, hereinafter referred to as the "Mortgagor" for consideration paid by Manchester Housing Authority, hereinafter referred to as the "Mortgagee", the receipt of whereof the Mortgagor does hereby acknowledge, grants, bargains, sells and conveys unto the said Manchester Housing Authority, its successors and assigns forever, with Mortgage Covenants, to secure (a) the payment of One Million Five Hundred Thousand Dollars (\$1,500,000.00) with interest thereon, as provided in the Mortgagor's Note of even date (b) the payment of all other sums with interest thereon advanced in accordance herewith to protect the security of this Mortgage and the performance of all other terms as set forth in the Mortgagor's Note of even date herewith, and (c) the performance of all agreements and covenants herein contained and contained in a Construction Loan Agreement and Regulatory Agreement both of even date by and between the Mortgagor and the Mortgagee (the said Note, Construction Loan Agreement, Regulatory Agreement and this Mortgage and Security Agreement hereafter called Governing Documents).

A certain tract(s) or parcel(s) of land with all the buildings of improvements now or hereafter situated thereon in Manchester, New Hampshire, more particularly described in Exhibit A attached hereto and made a part hereof by reference; together with all building materials and supplies and all other tangible personal property intended for use in construction of buildings

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the Mortgagor and now affixed or to be affixed, or now or hereafter located upon said land, including all appurtenant easements.

Also conveying and granting hereby as a part of the realty and as property mortgaged hereunder, all of the following articles now or hereafter on the above described premises or used therewith: All machinery, equipment, building materials and supplies, furnishings, furniture, fixtures, chattels and articles of tangible personal property, including, without limitation, furnaces, boilers, oil burners, refrigeration, air conditioning and sprinkler systems, awnings, screens, window shades, motors, dynamos, incinerators, plants and shrubbery, whether now owned or hereafter from time to time acquired by the Mortgagor, together with all substitutions replacements, additions, attachments, accessories, accretions thereto or thereof, now or in the future, situated or located on, or used or usable in connection with the buildings to be constructed on the premises described in said Exhibit A attached hereto. If the lien of this Mortgage on any fixtures or personal property be subject to a lease agreement, conditional sale agreement or chattel mortgage covering such property (the Mortgagee does not hereby consent to any such lease, conditional sale agreement or chattel mortgage), then in the event of any default hereunder all the rights, title and interest of the Mortgagor in and to any and all deposits made thereon or therefore are hereby assigned to the Mortgagee, together with the benefit of any payments now or hereafter made thereof. There are also transferred, set over and assigned by Mortgagor to Mortgagee, its successors and assigns, hereby all leases and use agreements of machinery, equipment and other personal property of Mortgagor in

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lessee of, or entitled to use, such items, and Mortgagor agrees to execute and deliver to Mortgagee specific separate assignments to Mortgagee of such leases and agreements when requested by Mortgagee; and nothing herein shall obligate Mortgagee to perform any obligations of Mortgagor under such leases, or agreements unless it so chooses which obligations Mortgagor hereby covenants and agrees to well and punctually perform.

As further security for payment of the indebtedness and performance of the obligations, covenants, and agreements secured hereby, the Mortgagor hereby transfers, sets over and assigns to Mortgagee:

A. All rents, profits, revenues, royalties, bonuses, rights and benefits under any and all (a) leases, or (b) tenancies now existing or hereafter created of the premises or any part thereof, with the right to receive and apply the same to said indebtedness, and Mortgagee may demand, sue for and recover such payments, but shall not be required to do so; provided however, that so long as Mortgagor is not in default hereunder, the right to receive and retain such rents, issues and profits is reserved to Mortgagor. Mortgagee may notify any party obligated under such leases or tenancies to make all payments thereunder directly to Mortgagee, and Mortgagee may take control of all proceeds, accounts or bank accounts arising from such leases or tenancies, at any time, upon default of any term, condition or covenant of this Mortgage, whether or not Mortgagee has elected to accelerate any indebtedness secured hereby. All payments of proceeds received by Mortgagee under such leases or tenancies shall be applied by Mortgagee in the manner hereinafter set forth in Paragraph 2

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hereof. To carry out the foregoing, Mortgagor agrees (1) to execute and deliver to Mortgagee such conditional assignments of leases and rents applicable to the mortgaged premises as the Mortgagee may from time to time request, while this Mortgage and the debts secured hereby are outstanding, and further (2) not to cancel, accept a surrender of, reduce the rentals under, anticipate any rentals under, or modify any such leases or tenancies, or consent to an assignment or subletting thereof, in whole or in part, without Mortgagee's written consent. Nothing herein shall obligate the Mortgagee to perform the duties of the Mortgagor as landlord or lessor under any such leases or tenancies, which duties Mortgagor hereby covenants and agrees to well and punctually perform.

B. All judgments, awards of damages and settlements hereafter made as a result or in lieu of any taking of the premises or any interest therein or part thereof under the power or eminent domain, or for any damage (whether caused by such taking or otherwise) to the premises or the improvements thereon or any part thereof, including any award for change of grade of streets. Mortgagee may apply all such sums or any part thereof so received of the indebtedness secured hereby in such manner as it elects or, at its option, the entire amount or any part thereof so received may be released. Mortgagor hereby irrevocably authorizes and appoints Mortgagee its attorney-in-fact to collect and receive any such judgments, awards and settlements from the authorities or entities making the same, to appear in any proceeding therefor, to give receipts and acquittances therefor, and to apply the same to payment on account of the debt secured hereby, whether then

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matured or not; and the Mortgagor will execute and deliver to the Mortgagee on demand such assignments and other instruments as the Mortgagee may require for said purposes and will reimburse the Mortgagee for its costs (including reasonable counsel fees) in collection of such judgments and settlements.

Receipt of deposits, awards, and any other moneys or evidence thereof, pursuant to the provisions of the foregoing paragraphs A and B and any disposition of the same by Mortgagee shall not constitute a waiver of the right of foreclosure by Mortgagee in the event of default or failure of performance by Mortgagor or any covenant or agreement contained herein or any note secured hereby.

TO HAVE AND TO HOLD the aforegranted and bargained premises with all privileges and appurtenances thereof, to the said Mortgagee and its successors and assigns, to its and their use and behoof forever. And the said Mortgagor, for itself and its successors and assigns, does hereby covenant, grant and agree to and with the Mortgagee and its successors and assigns, that until the delivery hereof it is the lawful owner of the said granted premises seized and possessed thereof in its own right in fee simple, has full power and lawful authority to grant and convey the same in manner aforesaid, that the premises are free and clear from any incumbrance whatsoever, except as otherwise herein recited, that it and its successors shall warrant and defend the same to the said Mortgagee and its successors and assigns against the lawful claims and demands of any person or persons whoever, except as otherwise herein recited; and that it will not cause or permit any lien to arise against the premises which is superior to the lien of this Mortgage.

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The Mortgagor further covenants and agrees with the said Mortgagee, its successors and assigns, as follows:

1. To pay the note hereby secured and interest thereon as the same shall become due and payable, and also any other indebtedness that may accrue to the Mortgagee under the terms of this Mortgage, and to perform all other agreements set forth in said note; and to keep and perform all of Mortgagor's covenants and agreements contained in the Loan Documents, as the Loan Documents are now in effect or may be hereafter amended.

2. That the Mortgagor authorizes the holder hereof, whenever and as long as any default hereunder shall exist, to enter into and take possession of all or any part of the mortgaged premises and to use, operate, manage and control the same and conduct the business thereof and complete any unfinished construction thereon and collect the rents and profits therefrom as the holder shall deem best. Upon every such entry, the holder may from time to time, at the expense of the Mortgagor, make all such repairs, replacements, alterations, additions and improvements to the mortgaged premises as the holder may deem proper and may exercise all rights and power of the Mortgagor, either in its name or otherwise as the holder shall determine. All rents and profits from the mortgaged premises collected by the holder shall be applied to pay the expenses of holding and operating the mortgaged premises, or conducting the business thereof, of all maintenance thereof, of all repairs, replacements, alterations, additions and improvements thereto and to make all payments which the holder may be required or may elect to make, if any, for taxes, assessments, insurance, and other proper charges upon the mortgaged premises or

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any part thereof, as well as charges and reasonable compensation for the services of the Mortgagee and of all persons engaged and employed in conducting the operation of the mortgaged premises. The remainder of such rents and profits, if any, shall be applied to the payment of all sums of principal and interest then due to the Mortgagee on the debt secured hereby. If and whenever, prior to a foreclosure sale of the mortgaged premises, all arrears of required payments of interest and principal, and all sums paid or advanced by the holder under any provision hereof, and the reasonable and proper charges, expenses of counsel, and all other sums then payable hereunder shall be paid or collected out of the mortgaged premises and all defaults hereunder shall have been cured, the Mortgagee may at its option surrender to the Mortgagor the possession of the mortgaged premises, and thereupon the Mortgagor and the Mortgagee shall be restored to their former position and rights hereunder in respect to the mortgaged premises, but no such surrender shall extend to or affect any subsequent default or impair any right consequent thereon. Provided, however, that in the exercise by the Mortgagee of the rights hereinabove in this paragraph contained, the Mortgagee shall not be required to waive any other rights which it may have acquired by reason of any prior default of the Mortgagor, including but not limited to the right of acceleration and foreclosure, to the end that unless the Mortgagee so elects, the holder is not required to cure past defaults with the net proceeds received from the operation of the property under an exercise of the rights granted in this paragraph, but may instead elect to apply such net proceeds to the debt, as accelerated. The

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provisions of this paragraph are supplementary to the rights granted by law to the holder to enter upon and take possession of the mortgaged premises or of any part thereof for breach of conditions of this mortgage and to foreclose the same.

3. That the Mortgagor will keep the buildings, improvements and personal property now existing or hereafter erected or located on the mortgaged property and the interests and liabilities incident to the ownership thereof insured against loss by fire and such other hazards, casualties and contingencies, and in manner, form and companies as may be required by the Mortgagee. It being understood that Mortgagee's current requirements for insurance are as set forth in Exhibit B to the said Regulatory Agreement of even date herewith by and between the Mortgagor and the Mortgagee. All such insurance shall be evidenced by standard fire and extended coverage insurance policy or policies in amounts not less than necessary to comply with the applicable Coinsurance Clause percentage, but in no event shall the amount of coverage be less than the greater of the outstanding balance of the note or eighty percent (80%) of the insurable value based on replacement cost, and in default thereof the Mortgagee shall have the right to obtain such insurance at the cost of Mortgagor, such cost to be secured hereby. Such policies shall be endorsed with standard New Hampshire mortgage clause with loss payable to the Mortgagee, as its interests may appear, and shall be deposited with the Mortgagee and the Mortgagor shall deliver to the Mortgagee a new policy as replacement for any expiring policy at least fifteen (15) days before the date of such expiration, that all such policies will contain a provision or endorsement that they may not

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be cancelled without ninety (90) days written notice from the insurer to the Mortgagee; that all amounts recoverable under any policy are hereby assigned to the Mortgagee, and in the event of a loss, the amount collected may, at the option of the Mortgagee, be used in any one or more of the following ways: (1) applied upon the indebtedness secured hereby, whether such indebtedness then be matured or unmatured, (2) used to fulfill any of the covenants contained herein as the Mortgagee may determine, (3) used to replace or restore the property to a condition satisfactory to the Mortgagee, or (4) released to the Mortgagor; the Mortgagee is hereby irrevocably appointed by the Mortgagor as attorney of the Mortgagor to assign any policy in the event of the foreclosure of this mortgage or other extinguishment of the indebtedness secured hereby. The insurance carrier providing the insurance shall be a carrier qualified to write such insurance in the State of New Hampshire and shall be chosen by the Mortgagor subject to the approval of the Mortgagee.

4. That the Mortgagor will pay, before the same become delinquent or any penalty attached thereto for nonpayment, all taxes, assessments and charges of every nature that may now or hereafter be levied or assessed, upon the mortgaged premises or any part thereof, or upon the rents, issues, income or profits thereof, whether any or all of said taxes, assessments or charges be levied directly or indirectly, and will pay, before the same become delinquent or any penalty attached thereto for nonpayment, all taxes which by reason of nonpayment create a lien prior to the lien of this Mortgage; and will thereupon submit to the Mortgagee such evidence of the due and punctual payment of such taxes, etc.

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as the Mortgagee may require, and the Mortgagor will also pay all taxes, assessments or charges which may be levied on the note secured hereby, or on the interest thereon.

5. That the Mortgagor will keep protected in good order, repair and condition at all times the buildings and improvements (including Mortgagor's fixtures) now standing or hereafter erected or placed upon the mortgaged premises and any and all Mortgagor's appurtenances, apparatus and articles of personal property, including, but not limited to, furniture, furnishings and equipment, now or hereafter in or attached to or used in connection with said buildings or improvements, promptly replacing any of the aforesaid which may become lost, destroyed or unsuitable for use; will always maintain in good order and condition all the facilities, easements, works, and ways set forth in the description and easements of this Mortgage, whether located upon the premises hereby mortgaged or elsewhere; and will not commit or suffer any strip or waste of the mortgaged premises, or any violation of any law, regulation, ordinance or contract affecting the mortgaged premises, and will not commit or suffer any demolition, removal or material alteration of any buildings or improvements (including fixtures) on the mortgaged premises without the written consent of the Mortgagee.

6. If the Mortgagor shall neglect or refuse to keep in good repair the property conveyed by this Mortgage and Security Agreement, to replace the same as herein agreed, to maintain and pay the premiums for insurance which may be required under Paragraph 3, or to pay and discharge all taxes, assessments and charges of every nature and to whomever assessed, as provided for

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in Paragraph 4, the Mortgagee may, at its election, cause such repairs or replacements to be made, obtain such insurance or pay said taxes, assessments and charges, and any amounts paid as a result thereof, together with interest thereon at the rate of fourteen percent (14%) from the date of payment, shall be immediately due and payable by the Mortgagor to the Mortgagee, and until paid shall be added and become a part of the principal debt secured hereby, and the same may be collected as a part of said principal debt in any suit hereon or upon the note; or the Mortgagee, by the payment of any tax, assessment or charge, may, if it sees fit if allowed by law, be thereby subrogated to the rights of the State, County, City and all political or governmental subdivisions. No such advances shall be deemed to relieve the Mortgagor from any default hereunder or impair any right or remedy consequent thereon, and the exercise of the rights to make advances granted in this paragraph shall be optional with the Mortgagee and not obligatory, and the Mortgagee shall not in any case be liable to the Mortgagor for a failure to exercise any such right. Mortgagee shall have no responsibility with respect to the legality, validity and priority of any such claim, lien, encumbrance, tax, assessment and premium, and of the amount necessary to be paid in satisfaction thereof.

7. Mortgagor shall, upon written request therefor, by Mortgagee to Mortgagor, which request may be withdrawn and remade from time to time at the discretion of Mortgagee, pay to Mortgagee on a monthly basis as hereafter set forth a sum equal to the municipal and other governmental real estate taxes, personal property taxes, other assessments next due on the real and

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due for fire and insurance required of Mortgagor hereunder, less all sums already paid therefore, divided by the number of months to elapse not less than one (1) month prior to the date when said taxes and assessments will become delinquent and when such premiums will become due. Such sums as estimated by Mortgagee shall be paid with monthly payments of interest due pursuant to the terms of the indebtedness secured by this Mortgage and such sums shall be held by Mortgagee to pay said taxes, assessments and premiums before the same become delinquent. Mortgagor agrees that should there be insufficient funds so deposited with Mortgagee for said taxes, assessments and premiums when due, it will upon demand by Mortgagee promptly pay to Mortgagee amounts necessary to make such payments in full; any surplus funds may be applied toward the payment of the indebtedness secured by this Mortgage or credited toward future such taxes, assessments and premiums; if Mortgagee shall have commenced foreclosure proceedings, then Mortgagee may apply such funds toward the payment of the mortgage indebtedness without causing thereby a waiver of any rights, statutory or otherwise, and specifically such application shall not constitute a waiver of the right of foreclosure hereunder. Mortgagor hereby assigns to Mortgagee all the foregoing sums so held hereunder for such purposes. The Mortgagor acknowledges that the provisions hereincontained for the establishment of escrow funds are supplementary to the provisions contained in the said Regulatory Agreement of even date herewith; and that in the event of any conflict between the provisions hereof and the provisions of said Regulatory Agreement, the provisions of said Regulatory Agreement shall control.

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8. That Mortgagor further covenants and agrees that this Mortgage shall constitute a security agreement with respect to any and all machinery, equipment, chattels, articles of personal property, and fixtures described and included in this mortgage, and all additions, accessions, substitutions and replacements thereto and therefore, and with respect to all rents, profits, income and charges of whatever sort Mortgagor may receive or be entitled to receive in connection with the operation of the mortgaged premises, and all of which are hereinafter referred to as the collateral and Mortgage hereby grants and conveys to Mortgagee, its successors and assigns, a security interest therein. That upon default of any term, condition or covenant of this Mortgage and acceleration of any indebtedness hereby secured, the Mortgagee may, at its discretion, require the Mortgagor to assemble the collateral and make it available to the Mortgagee at a place reasonably convenient to both parties to be designated by the Mortgagee. That the Mortgagee shall give the Mortgagor notice, by registered mail, postage prepaid, of the time and place of any public sale or other intended disposition thereof is to be made by sending notice to the Mortgagor at least thirty (30) days before the time of the sale or other disposition, which provisions for notice the Mortgagor and Mortgagee agree are reasonable; provided, however, that nothing herein shall preclude the Mortgagee from proceeding as to both real and personal property in accordance with Mortgagee's rights and remedies in respect of the real property. Mortgagee shall have all of the remedies of a secured party under the Uniform Commercial Code as now in effect in the State of New Hampshire and such further remedies as may

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from time to time hereafter be provided in New Hampshire for a secured party. Mortgagor agrees that all rights of Mortgagee as to said collateral and as to said real estate, and rights and interest appurtenant thereto, may be exercised together or separately and further agrees that in exercising its power of sale as to said collateral and as to said real estate, and rights and interest appurtenant thereto, and Mortgagee may sell the collateral or any part thereof either separately from or together with the said real estate, rights and interests appurtenant thereto or any part thereof, all as the Mortgagee may in its discretion elect.

9. That Mortgagor shall maintain full and correct books and records showing in detail the earnings and expenses of the mortgaged premises; will permit the Mortgagee and its representatives to examine said books and records and all supporting vouchers and data any time from time to time upon request by the Mortgagee and will submit to the Mortgagee all records and reports as more specifically required in the said Regulatory Agreement of even date.

10. That Mortgagor within seven (7) days upon request in person or within ten (10) days upon request by mail shall furnish a duly acknowledged written statement setting forth the amount of the debt secured by this Mortgage, and stating either that no offsets or defenses exist against the mortgage debt, or, if such offsets or defenses are alleged to exist, the nature thereof.

11. That if any action or proceeding be commenced, excepting an action to foreclose this Mortgage or to collect the debt hereby secured, to which action or proceeding the Mortgagor is made a

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party by reason of the execution of this Mortgage or the Note which it secures, or in which it becomes necessary to defend or uphold the lien of this Mortgage, the Mortgagor shall, at its own expense retain competent counsel who shall diligently defend the Mortgagor in any such action or proceeding.

12. Without affecting the liability of Mortgagor or any other person for payment of any indebtedness secured hereby or for performance of any obligation contained herein, and without affecting the rights of Mortgagee with respect to any security not expressly released in writing, Mortgagee may at any time and from time to time, either before or after the maturity of said Note and without notice or consent:

a) Release any person liable for payment of all or any part of the indebtedness or for performance of any obligation.

b) Make any agreement extending the time or otherwise altering the terms of payment of all or any part of the indebtedness, or modifying or waiving any obligation, or subordinating, modifying or other dealing with the lien or charge hereof.

c) Exercise or refrain from exercising or waive any right Mortgagee may have.

d) Accept additional security of any kind.

e) Release or otherwise deal with any property, real or personal, securing the indebtedness, including all or any part of the property mortgaged hereby.

13. Mortgagor shall maintain and preserve the parking areas, common areas, passageways and drives, now or hereafter existing on the mortgaged premises, and, without prior written consent of

19-412

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Mortgagee, no building or other structure shall be erected thereon and no new buildings or additions to existing buildings shall be erected thereon and no new buildings or additions to existing buildings shall be erected on the remainder of the premises herein mortgaged.

14. That the Mortgagor has obtained or will obtain prior to or at completion of any construction all governmental approvals then required by valid law for the acquisition and the commencement of construction, ownership and operation of the mortgaged premises and that at any time the then existing use or occupancy of the mortgaged premises shall, pursuant to any zoning or other law, ordinance or regulation, be permitted only so long as such use or occupancy shall continue, that Mortgagor shall not cause or permit such use or occupancy to be discontinued without the prior written consent of the Mortgagee.

15. Mortgagor shall submit to the Mortgagee for Mortgagee's examination and approval in writing prior to the execution, delivery and commencement thereof, the form, terms and conditions of all leases, tenancies and occupancies of the premises mortgaged hereby and any part thereof; any such leases, tenancies and occupancies, not so approved, shall not be valid; and Mortgagor at its cost and expense, upon request of Mortgagee, shall cause any parties in possession of the premises under any such leases, tenancies and occupancies, not so approved, to vacate the premises immediately; and Mortgagor acknowledges that Mortgagee may from time to time at its option enter upon the mortgaged premises and take any other action in court or otherwise to cause such parties to vacate the premises; the costs and expenses of Mortgagee in so

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doing shall be paid by Mortgagor to Mortgagee on demand thereof and shall be part of the indebtedness secured by this Mortgage as costs and expenses incurred to preserve and protect the security; such rights of Mortgagee shall be in addition to all its other rights as Mortgagee, including the right of foreclosure, for breach by Mortgagor in the requirements of this Paragraph.

16. That receipt and disposition of rents, income of the premises, insurance proceeds, eminent domain awards, or any other sums under the provisions of the Loan Documents by Mortgagee shall not be a waiver or release of any rights of the Mortgagee, including but not limited to, the right of foreclosure or acceleration of the Note, whether such receipt or disposition shall be before or after exercise of any such rights.

In the event of default, the Mortgagee for itself, its successors and assigns, shall have the right (given to it under the law of New Hampshire) to pursue various remedies simultaneously, including the right to receive the rents, income and profits, to sue on the Note, and at the same time to conduct foreclosure proceedings until full satisfaction of the obligation of all sums due hereunder is obtained.

The Mortgagor shall have the right to contest by appropriate legal proceedings, but without cost or expense to the Mortgagee, the validity of any laws, ordinances, orders, rules and regulations affecting the mortgaged premises if compliance therewith may legally be held in abeyance without the sufference of any charge, lien or liability against the mortgaged premises, and the Mortgagor may postpone compliance therewith until the final determination of any such proceedings, provided they shall

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be prosecuted with due diligence and dispatch, and if any lien or charge is incurred, the Mortgagor may, nevertheless, make the contest and delay compliance, provided the Mortgagee is furnished with security, reasonably satisfactory to it, against any loss of injury by reason or such noncompliance or delay.

AND IT IS HEREBY AGREED that if default be made in the payment of any installment due under said Note, or if default be made in the performance of any of the covenants, conditions or payments hereunder other than the covenant to pay said Note, or any other instrument given as security for the said Note, or under the Governing Documents (and such default shall remain uncured after 30 days written notice from Mortgagee) or if by order of a court of competent jurisdiction a receiver or liquidator or trustee of the Mortgagor for the time being of the mortgaged premises shall be appointed and shall not have been discharged within forty-five (45) days, or if by decree of such court such Mortgagor shall be adjudicated bankrupt or insolvent and such decree shall continue to be undischarged and unstayed for forty-five (45) days after the entry thereof, or if a petition to reorganize such Mortgagor pursuant to the Federal Bankruptcy Act or any other similar statute applicable to such Mortgagor as now or thereafter in effect shall be filed against such Mortgagor and shall not be dismissed within forty-five (45) days after such filing, or such Mortgagor shall file a petition in voluntary bankruptcy under any provision of any bankruptcy law, or shall

consent to the filing of any bankruptcy or reorganization petition under such law, or if (without limitation of the generality of the foregoing) such Mortgagor shall file a petition for an arrangement or to reorganize such Mortgagor pursuant to the Federal Bankruptcy Act or any other similar statute applicable to such Mortgagor, as now or hereafter in effect, or if such Mortgagor shall institute any proceeding for its dissolution or liquidation, or shall make an assignment for the benefit of creditors, or shall admit in writing inability to pay its debts generally as they become due or shall consent to the appointment of a receiver or trustee or liquidator of such Mortgagor, then the full principal sum or any unpaid balance of the debt secured hereby together with interest and all advances, if any, shall immediately become due and payable at the option of the Mortgagee or its successors or assigns and the said Mortgagee or its legal representatives or assigns may advertise the premises for sale by publication of notice in some newspaper as required by New Hampshire Revised Statutes Annotated, and having served copies of said notice upon the Mortgagor in the manner required by the New Hampshire Revised Statutes Annotated and all amendments thereto relating to the foreclosure of power of sale mortgages, may sell the premises at public auction held on or near part of the premises to the highest bidder; and the deed thereof of the Mortgagee, or its assigns or legal representatives, in pursuance of such sale, shall convey to the purchaser an indefeasible title to the premises, discharged of all rights of redemption by the Mortgagor, its successors or assigns, or any person claiming from, by or under it; and such purchaser shall in no way be answerable for the application of the purchase price;

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and the Mortgagee or its legal representatives shall apply the proceeds in payment of such fees, costs, charges and expenses, including attorneys' reasonable fees, and in payment of this mortgage indebtedness, paying the balance, if any, to the Mortgagor or its legal representatives.

This mortgage is given upon the statutory condition as well as the foregoing conditions for the breach of any of which or upon any default whatsoever thereunder, and in addition to any other right or remedy hereinabove or otherwise appearing, the Mortgagee shall have and may exercise statutory power of sale, reference being made hereby to the laws of the State of New Hampshire.

PROVIDED, NEVERTHELESS, that if the said Mortgagor, its successors or assigns, pay to the said Mortgagee, or its successors or assigns, the principal balance with interest and comply with all terms as set forth in the Mortgagor's note of even date herewith during such time as said principal sum or any part thereof shall remain unpaid and shall pay said interest in installments and the whole sum in any event on or before the date the said note matures, or earlier, all as provided in said Note, and until such payment shall pay all taxes, insurance premiums and escrow deposits, and assessments on the granted premises, to whosoever laid or assessed, and shall not commit nor suffer any strip or waste of the granted premises, nor default in any of the Mortgagor's covenants or obligations, nor commit any breach of any covenant herein contained, or in the Loan Documents, then this deed shall be void; otherwise it shall remain in full force and virtue.

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Any demand, notice or request by either party to the other

shall be sufficiently given if delivered to the party intended to receive the same, or if mailed by registered or certified mail addressed to such party at the address of such party stated below, or at such other address as may be stated in a notice delivered or mailed as herein provided.

The covenants and agreements herein contained shall bind, and the benefit and advantages thereof shall inure to, the respective heirs, executors, administrators, successors and assigns of the Mortgagor and Mortgagee. Whenever used, the singular number shall include the plural, the plural the singular, the use of any gender shall be applicable to all genders.

In the event of any conflict between the terms, covenants, conditions and restrictions contained in the Mortgage and as contained in the Loan Documents, the term, covenant, condition or restriction which imposes the greater burden or obligation upon the Mortgagor shall control. The determination as to which term, covenant, condition or restriction is the more burdensome or imposes the greater obligation shall be made by the Mortgagee in its sole discretion.

In any case where any one or more of the provisions of this Mortgage are held to be invalid, illegal or unenforceable in any respect, such validity, illegality or unenforceability shall not affect any other provision hereof.

For the purpose of this Mortgage and Security Agreement constituting a financing statement under the Uniform Commercial Code the addresses of the parties are:

Mortgagor (Debtor) 19416 Lowell Street  
Manchester, NH 03101

Mortgagee (Secured Party) 198 Hanover Street

COPIES 10720

At the option of the Mortgagee, this Mortgage and Security Agreement may be assigned to the City of Manchester.

IN WITNESS WHEREOF, Lowell Terrace Associates, has hereunto set its hand this 14<sup>th</sup> day of December, 1984.

WITNESS:

B. H. Morgan  
B. H. Morgan

Lowell Terrace Associates  
(Debtor)

By:

Peter A. Morgan,  
General Partner

By:

Richard W. Hale,  
General Partner

Wm. H. Gray

Manchester Housing Authority  
(Secured Party)

By:

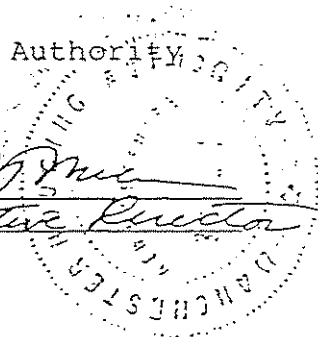
Edward D. [Signature]  
Title: Executive Director

THE STATE OF NEW HAMPSHIRE  
HILLSBOROUGH, SS.

The foregoing instrument was acknowledged before me this 15<sup>th</sup> day of December, 1984, by Peter A. Morgan and Richard W. Hale, general partners of Lowell Terrace Associates, a New Hampshire general partnership, on behalf of the partnership.

B. H. Morgan  
Justice of the Peace

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EX 3251 PG 0464

EXHIBIT A

A certain parcel of land with the buildings thereon located on Lowell Street in Manchester, County of Hillsborough and State of New Hampshire bounded and described as follows:

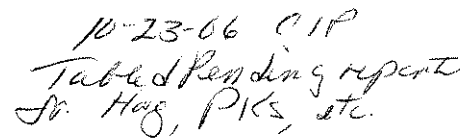
Southerly on Lowell Street there measuring ninety-two (92) feet; easterly on Chestnut Street, there measuring one hundred (100) feet, northerly on a passageway, there measuring seventy-nine (79) feet and westerly on Lot No. 366, there measuring one hundred (100) feet.

Said premises are known as Lot No. 365 on the Amoskeag Manufacturing Company's plan of lots.

Being the same premises conveyed by Warranty Deed from William P. Spanos and Mary K. Spanos to Lowell Terrace Associates dated December 14, 1984 and to be recorded in the Hillsborough County Registry of Deeds.

DX 3251 100465

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I N C O R P O R A T E D

*City of Manchester*

|                |            |
|----------------|------------|
| <b>Prop.#:</b> | 06007062SO |
| <b>Date:</b>   | 7/25/2006  |
| <b>S/O #:</b>  |            |
| <b>D/B:</b>    |            |

|                          |                              |                                |              |                 |
|--------------------------|------------------------------|--------------------------------|--------------|-----------------|
| <b>Attention</b>         | <b>Title</b>                 | <b>Telephone and Extension</b> | <b>Fax</b>   |                 |
| Mr. Red Robidas          | Security Manager             | 603-624-6543                   | 603-628-6065 |                 |
| <b>Mailing Address A</b> | <b>Mailing Address B</b>     | <b>City</b>                    | <b>State</b> | <b>Zip Code</b> |
| One City Hall Plaza      | Human Resources              | Manchester                     | NH           | 03101           |
| <b>E-Mail Address:</b>   | rrobidas@ci.manchester.nh.us |                                |              |                 |

the following system/service:

### CCTV System

|                     |                               |              |                 |          |
|---------------------|-------------------------------|--------------|-----------------|----------|
| Site Bldg Name      | Site Street Address           | Site City    | State           | Zip Code |
| City of Manchester  | One City Hall Plaza           | Manchester   | NH              | 03101    |
| Site Contact Person | Site Telephone and Extension: | Site Fax     | Salesperson     |          |
| Mr. Red Robidas     | 603-624-6543                  | 603-628-6065 | Stacey A. Oikle |          |

[illegible]

|                       |             |
|-----------------------|-------------|
| Equipment investment: | 11,076.00   |
| Installation:         | 1,560.00    |
| Total investment:     | \$12,636.00 |

Applicable Sales Tax And  
Permit Fees Not Included

**Warranty:** The above equipment and installation carries our **36-month** warranty, covering all PARTS, LABOR and TRAVEL. This warranty does not apply to equipment failure or services rendered due to misuse, tampering, operator error or Acts of God.

|               |          |                                      |             |
|---------------|----------|--------------------------------------|-------------|
| <b>Terms:</b> | Deposit: | None Required                        | \$0.00      |
|               | Balance: | Due 30 Days from Completion of Work: | \$12,636.00 |

All material is guaranteed to be as specified. All work to be completed in a substantial workmanlike manner according to specifications submitted, per standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers fully covered by Workmen's Compensation insurance.

Note: This proposal may be withdrawn by us if not accepted within: **30 Days**

PELMAC Ind., inc. Authorized Signature

ACCEPTANCE OF PROPOSAL: The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Date: \_\_\_\_\_ Customer Signature: \_\_\_\_\_ Title: \_\_\_\_\_

12 Commercial Court • Auburn, NH 03032 • 800-244-5916 • 603-623-5916 • FAX 603-647-7712

www.pelmac.com e-mail: sales@pelmac.com

*"Modern Technology... Old Fashioned Service"*

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